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Heads National Press

—Photo by Karsh.

Strong in national leadership is the periodical press of Canada. It comprises the English and French magazines, the farm papers, the industrial, financial, technical, merchandising and professional journals. Each, in its specialized way, helps to build a stronger, more united nation. Last week the Periodical Press Association of Canada counted its numbers; found it included 122 publications nudging 3 million circulation, more than enough to blanket every Canadian home, office and shop. To head its work for the coming year, PPA elected as president Floyd S. Chalmers, executive vice-president since 1942 of Maclean-Hunter. A publisher with a news and editorial background, Mr. Chalmers spent 23 years on The Financial Post, 17 of them as editor, before assuming his present job. Post readers remember his many articles written while travelling abroad, notably last year when he represented Canada's periodicals on the Imperial Press Conference tour of U. K., France, Belgium, Holland and Germany.

THE NATION'S BUSINESS

We Had One Lesson On Appeasement

"1947 is Freedom's year of decision. There can still be peace—enduring peace for long years to come — if the democracies remember the lesson they learned in 1939. We all said then we would remember that lesson and that never again would the word 'appeasement' be written in letters of blood across the world. We all said there would have been no war with Germany if we had stood together and said with the united voice of free people, 'What you do in Germany is something which Germans themselves must determine, but you are not going to impose your evil power on other nations, and, above all, we are not going to supply you with the material and machines of war to make that possible.' That was what we all agreed then would have prevented war if only we had seen clearly in sufficient time. Surely we are not so soon going to forget that costly lesson."

That was Ontario's Premier Drew recently speaking before a Toronto meeting of Canadian and Empire Clubs.

Remember the five years before 1939 during which the democracies stood by appeasing while Hitler made his successive grabs. Remember how clear the evidence was after this war that Hitler and his gang were astounded when we rose against him.

Last week Russia completed its virtual annexation of Hungary. The Soviet drive for control in France and Italy is going full blast. Earlier, Russia violated solemn agreements by looting Manchuria, Germany and Austria. Communist control has been imposed in Czechoslovakia, Poland, Bulgaria, Romania, Yugoslavia, Lithuania, Latvia, Estonia, Finland.

Russia is no longer a distant eastern power. The Russian zone in Germany stretches to within 20 miles of the largest German seaport, Hamburg. It is only 130 miles from Holland, 155 from Belgium, 135 from France. Canada is the inevitable Russian bridgehead for its offensive against the democratic arsenal, the United States.

Going on before our eyes is the biggest epic in conquest since Genghis Khan, conquest by force and by conspiracy.

"If the lesson we said we had learned in 1939 is still correct," said Premier Drew, "then the hope for peace depends upon the firmness with which all the democracies tell Russia this year that we stand by the San Francisco charter and that we will assert, as strongly as they will, their right to have their own form of government in Russia but that Russia must not impose their form of government by force upon any other nation.

"The time is short, but there is still time. . . . The freedom we won, our security as a nation, and most important, the future of our children depends upon the decisions made by free people everywhere in this year 1947. Along one firm path lies peace Along the path of appeasement lies war."

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Let U. K. Consumer Know

Hardly a consumer in Great Britain seems to be aware that he is getting wheat from Canada at far below the market price, H. G. L. Strange of the Searle Grain Co., reports on his return from Europe. On the Continent, however, Major Strange found plenty of Belgians, Hollanders and other good customers of this Dominion justly irritated because they could not buy our wheat at similar bargain values.

That was exactly the reaction feared when the ill-advised Wheat Agreement was announced last year. Ottawa was warned of this danger by those with a lifetime experience in marketing grain. They pointed out that this attempt to mix sentiment with business and to charge two different prices for the same product was bound to lead to trouble.

It would have been much fairer and far more sensible to have donated a block of wheat to Great Britain but to have insisted on the regular market price for all sales to that or any other country. In that case all Canadian taxpayers, instead of just our wheat growers, would have shared in the sacrifice and there could have been no real objection from any customer. But having decided on a special discount to the British consumer, at least we should make sure that this consumer knows he is getting a bargain and where it is coming from. If he doesn't, then there is not the faintest possibility that he will show any preference for Canadian wheat later on when competition gets tougher.

There has been far too much of this "false modesty" in a lot of our trading with Britain, before, during and since the war. We have shipped tremendous quantities of food and other products but too often have failed to let the Britisher know where these things originated.

No merchant in his right mind would hope to build up markets by selling his products in unlabelled tins. Yet that is what we have been doing with our wheat, bacon, lumber and almost everything else.

We are not entitled to, nor should we ask, any special thanks for the food, munitions and other vital supplies we contributed during the war, when Canada was about the only source left to a hard-pressed and almost surrounded Britain. That was little enough in comparison with the enormous sacrifices of the Mother Country. But when the British consumer goes shopping it is simply good business on our part to make sure he knows that Canada can supply the goods he wants.

No Canadian Apples For British Shops?

Dollar Shortage Seen Forcing U. K. to Drop "Luxury" Agricultural Products Totalling $80 Millions From North America

OTTAWA (Staff) — Canadian apples and a number of smaller items of so-called "luxury" agricultural products are on the present list of to be cut from British purchases in Canada in 1947.

Last year, dollar cost of 1,151,000 barrels of fresh Canadian apples sold to U. K. was $6.5 millions. As well, a further $6 millions was spent on miscellaneous agricultural food products. Most important item here was $2.6 millions of tomato paste pulp and canned tomatoes. The U. K. also spent a further $3.4 millions on oatmeal and rolled oats.

Presently the U. K. is reported as simply "not interested" in a great many of these miscellaneous food products because of a shortage of dollars. Whether this attitude will change later on in the year is not known. For several years the British started each season by taking a pretty tough attitude on expenditure of dollars for anything but necessities, but very often there has been a relenting subsequently. This time the increasing dollar stringency was bringing a different and negative end result.

Over all, it is understood that the present U. K. intention is to cut some $80 millions from its North American purchases of foodstuffs and luxury goods. The bulk of this will affect spending in the U. S. rather than in Canada.

To implement this new "austerity" program will require an important U. K. cabinet decision. This is a decision which has been pending for sometime now. It has been pending because of the obvious political effect which it will have on the British people.

Last year after an initial decision against purchasing Canadian apples, the psychological effect of rosy fruit in shop windows and on monotonous austerity diets was deemed sufficient to outweigh dollar cost. Right now, the chances of a widespread dollar cut on items of this sort are thought to be considerable.

Union Gas Co. Earnings Rise Work Held Up

Union Gas Co. of Canada had a net profit of $435,338 in the fiscal year ending Mar. 31, 1947, which is equivalent to 62 cents a common share. ($418,807 for 1945 fiscal year or 59 cents.)

Working capital amounted to $2,409,553 at Mar. 31, 1947—down $657,339 during the year. Principal items accounting for this reduction are $760,992 on facilities required for the importation of gas, $473,429 for plant additions, renewals, replacements, etc., and $528,600 for repayment of the funded debt.

Construction work on the facilities required to import, transmit and store gas to be purchased from Panhandle Eastern Pipeline Co. in the United States has been delayed by floods and unfavorable weather. However, the two high pressure lines in the bed of the Detroit River between Canada and the United States have been completed; the compressors required to be installed at Windsor and the Dawn field have been received and construction of the station and installation of the equipment at these two locations are under way. The line required to transmit the gas from the point where it enters Canada to the Windsor compressor station, approximately 6 miles, is nearing completion and the underground storage areas in the Dawn field are being made ready.

Due to the acute shortage of steel which has prevailed many months, the company has been unable to place a firm order for delivery of the approximately 63 miles of pipe required to lay the projected transmission line from the Windsor station to the storage area in the Dawn field.

It is now estimated that the total construction costs on the gas importation project will be $2,868,338, including the amount of $760,992 expended to Mar. 31, 1947.

Record Acreage Planted in Ont. Tobacco Areas

Abnormal spring planting weather has not caused Ontario tobacco growers any undue loss of sleep. During most of the cold, rainy weather the precious seedlings were under glass. Now, after almost two weeks' uninterrupted transplanting, the crop is only one week behind normal schedule. At midweek 75% of the crop was in; by week-end, barring a prolonged cloudburst, the job will be completed.

Southwestern Ontario tobacco acreage — which normally accounts for close to 90% of the Dominion's output — is being upped by more than 5,000 acres from last year. This will make a record Ontario high of 100,000 to 105,000 acres under tobacco this summer. Last year's Dominion total 118,000 acre crop brought in approximately $47.7 million to the growers.

With tobacco stocks on hand down to about a year and a half's normal demand — pre-war the normal stock ratio was three years' demand — and indications that the growing export market will hold up, growers are only hoping now for long, sunny days and a frost-free fall. Officials see no change in prices in the immediate offing.

Export Picture Uncertain

Chief uncertain element is the export picture. Tobacco growers have anxious eyes turned on the current Geneva trade conferences where Empire preferences are under fire from U. S. trade officials. As a result of tariff preferences and steady improvement in tobacco quality, Canadian exports have jumped from 10.2 million lb. in 1936 to 12.6 millions in 1946. In 1945 they reached a high of 15.6 million lb. Approximately 12.5 millions of this went to the United Kingdom.

More important is the fact that U. K. authorities would have taken more of our tobacco if they could have secured it. At exist-

(Continued on page 2, col. 4)

Longer Holidays Cost $5 Millions Railways State

MONTREAL (Staff)—Canadian railroads this week opposed an application by union organizations, representing 65% of their employees, for extension of existing annual vacation with pay to 14 working days.

The brief stated that the proposal would cost CNR and CPR $5 millions—if all classes of employees were included, $6 millions.

The railways stated that the request meant a minimum of 16 calendar days holidays for hourly, daily and monthly workers. At present the 14-day holiday applies to monthly rated employees. Daily and hourly workers get seven days.

Butter 'Floor' Is Left Unset Cabinet Divided

Hear Gardiner Prefers No Minimum Level to Suggested 46 Cents

OTTAWA (Staff) — Most important omission in the decontrol statement issued this week by Finance Minister Abbott was non-announcement of a new minimum price for butter.

The story here is that there has been another Cabinet "row" over butter. The immediate result has been to reverse earlier intentions to put a "floor" under butter prices in Canada. The long term result may be a chain of political consequences which will be heard around the back concessions and in Parliament for many a day.

The point seems to be that Agriculture Minister James Gardiner has for some time as good as promised his western constituents a substantial floor under butter, when the ceiling and ration controls were removed. At least one very important western organization is reported to have considerable stocks accumulated for which it has paid farmers more than the current resale price, in anticipation of promised future support. The floor price which Mr. Gardiner is said to have had in mind and to have urged upon Cabinet was around 50 cents (basis Montreal).

But when this idea was put formally before the Cabinet last week, there was reportedly a bit of opposition from Finance Minister Abbott and others. Since butter is currently selling in Montreal and Toronto at a price range of from 47 to 49 cents per pound, a "floor" of somethng around 40 cents was suggested as the most that could or should be countenanced. (The general line of argument was that a floor was something which should only be used for emergency purposes, and not to shove up permanently a price level such as exists today.)

After considerable argument it is reported that a "compromise" of about 46 cents was agreed to; only to be rejected by the Minister of Agriculture as inadequate.

In preference to such a floor, Mr. Gardiner is stated to have argued that there should be no official floor price. This apparently was the decision finally accepted.

Its ultimate political consequences remain to be seen.

If butter prices sooner or later soften considerably, will the Government then weaken and introduce a new floor? And will such a floor then be higher or lower than current discussion points? If not, what about the Gardiner "pledges" to western constituents that they would be "protected" at least during 1947?

Immigration Door is Ajar Not Wide Open

OTTAWA (Staff) — Canada is becoming migration-minded. We haven't yet opened the floodgates, but this week's action by Ottawa in seeking 5,000 displaced persons under government sponsorship is a major move toward the most open-door policy this country has enjoyed in 20 years.

Behind this move is a combination of factors. There is despair at the slowness with which the International Refugee Organization has got into action. There is an obvious desire to avoid further unfavorable publicity such as attended the Dionne importation of 100 Polish girls.

There is the realization that a more vigorous immigration policy is now acceptable to, in fact demanded by, the people of Canada.

First steps toward a new "open-door" policy came early this year. Provisions respecting relatives were then broadened. As well, the gates were opened to admit manpower for mines, farms, forests, etc., where "assured employment" was guaranteed. Another step was the sponsorship by the Government of 3,000 Polish veterans.

More recently, Ludger Dionne, M.P. for Beauce, uncovered a good-sized hole-in-the-wall when he got through an order-in-council permitting him to bring in 100 Polish refugees for his textile plant in St. Georges de Beauce.

Government To Take Onus

Under the new policy, announced this week, the Government, rather than individual employers like Mr. Dionne, will take responsibility for bringing out DPs to Canada. The persons chosen will cover a wide range of skills and attributes from professors to domestics. Passage to Canada will be paid by the Intergovernment Committee on Refugees, to which Canada is a subscribing member. Steamship passage will also be arranged by the same Committee.

The prospective immigrants will be "screened" by Canadian immigration officials and distributed to National Selective Service centres in various parts of Canada for employment by individuals or firms throughout the country. The newcomers will enter the country like any other immigrants, and under the same conditions as now prevail for entry of others.

The important new condition is that the newcomers will be able to come in as families, rather than as individuals. Heretofore, government regulations for expanded migration have applied only to relatives or to persons who came for assured employment. Almost all of the latter came to Canada as "single" persons.

Within recent months Canada's negative immigration policy of the last 15 or 20 years has been slowly but almost completely changed. Climax to this metamorphosis was the appointment some months ago of Dr. Hugh Keenlyside as Deputy Minister of the Department of Mines and Resources, plus the more recent appointment of Rt. Hon. C. D. Howe as Acting Minister to replace Hon. J. Allison Glen. Mr. Glen's illness will keep him away from Ottawa for the balance of the summer. It is highly probable that he will subsequently be replaced, quite probably by Mr. Howe.

Typical of the new drive behind an open door policy is Mr. Howe's own suggestion that a German reparations ship be refitted for use in bringing immigrants to Canada. This ship was delivered to Canada last year and is presently at Sorel. It was

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New U.S. Approach For Aid to Europe

Interim Collapse of Geneva Trade Talks Seen Possible While Plans Worked Out — May Bring Aid to Canada in Dollar Crisis

By KENNETH R. WILSON

OTTAWA (Staff)—Total economic collapse in Western Europe and eventually throughout the democratic world can only be avoided by complete abandonment of the present "loan" technique and its replacement by very large immediate U. S. grants-in-aid. Dollar aid to Canada can best be given concurrent with such grants.

This, in capsule form, is the philosophy on the dollar crisis which has crystallized here in recent weeks prior to the visit of President Truman. It is the philosophy which undoubetdly has been discussed here this week—assuming that at any time during the three-day visit the U. S. president sought Canadian opinion.

This does not mean that Canadian Government officials and ministers have ruled out a peacetime version of the Hyde Park agreement. It does mean that intensive study of the dollar crisis problem over recent weeks has disclosed only one effective answer; a completely new U. S. approach to the underwriting of European recovery.

Shelve Geneva Talks?

So important and fundamental is this approach deemed to be, that high-ranking officials here are even reconciled to interim collapse of the Geneva trade talks.

It is argued that lower tariffs and an international trade organization have become little better than academic, in the sort of economic crisis now approaching in Europe. There would, therefore, be disappointment but not despair, if it was decided at Washington that political considerations required these discussions to be shelved for the time being; provided always that the United States meanwhile kept its eye on the main play — the rebuilding of Europe by means of a vast new program of grants-in-aid.

However, the optimistic attitude of President Truman this week on ITO and his assurance of United tates aid to "The destitute and oppressed of the earth" is thought to augur well that current difficulties at Geneva will be overcome, and a way found to underwrite western European recovery.

"Keys To World Welfare"

In respect of ITO, President Truman stated specifically: "We attach great importance to this undertaking because we believe it will provide the keys to the welfare and prosperity of the world, in the years immediately ahead."

The timing of American aid to Europe is thought here to be of greatest urgency and importance. It is believed that such aid cannot safely be delayed beyond the autumn or at the latest beyond the year-end. Here again Mr. Truman's assurance that "we intend to expend our energies and invest our substance in promoting world recovery by assisting those who are able and willing to make their maximum contribution to the same cause," is considered impressive and hopeful.

The next great important consideration is that the aid be given in such a way as to put aside once and for all the transparency that further "loans" will suffice.

Any attempt to proffer further loans, either for Europe or for Britain would, it is felt here, be unwise and impractical. For one thing, it would be pulling the wool over U. S. eyes that such additional sums can or will ever be repaid.

See New Approach Needed

What is clearly needed, in the eyes of those who have been giving most careful attention to this matter, is a completely new approach—an approach which will, if possible, underwrite the impending crisis in European affairs by outright grants-in-aid.

One highly desirable feature of such moneys would be that they be available in Canada or in any other country where needed supplies are available. Only in this way can pressure on the American price structure and the economy at large be eased.

In such a category would be the current suggestion emanating from Ottawa this week that the United States is preparing to take over as at July 31 the dollar cost of U. K. wheat commitment in Canada.

As this report appeared in an Ottawa paper, it suggested that by permitting Canada to ship wheat to the United Kingdom under terms of our four-year contract, and by paying for this wheat in U. S. dollars, the United States would be helping solve our dollar problem.

Need New U. S. Funds

It is pointed out here that unless the United States finds a new source of American dollars to pay for this wheat — a source completely outside the present U. K.-U. S. dollar loan—little headway is made. All that such a transaction would do without a new source would be to run out the British dollar loan in U. S. a little faster.

But were the United States to

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Inside News

Would Admit DPs

The majority of Canadians answering a Financial Post questionnaire, favor admission of displaced Europeans to this country, with adequate safeguards, to ensure that they are assimilable into the Canadian way of life (p. 9).

Government in Chains

British Cabinet ministers, after the annual conference of the Labor party, must wonder what the future holds for a Government that is in chains to so many masters. The gathering vehemently denounced the cabinet's conscription policy, then overwhelmingly endorsed it. London Calling, by Adelphi (p. 32).

Peers on Social Credit

Hearing on the validity of Alberta's Social Credit program is to open before the British privy council either next week or a week later. Ontario has postponed resumption of its legislature session, to allow farmer members to complete spring seeding. A by-election has been called for July 23 in Huntingdon, Quebec. Provincial Roundup (p. 7).

Portable Refrigerator

A portable electric refrigerator, now marketed in U. S., weighs only 53 pounds, unit measures 22 by 28 by 16 inches, requires no defrosting. A jet-propelled outboard motor, 3 h.p., is now being produced in Canada, with larger models planned. What's New in Business (p. 16).

Threaten Tax Strike

Rural ratepayers on Vancouver Island have threatened a strike against allegedly "excessive and inequitable" taxes, arising out of the Cameron report on education (p. 32).

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Physician is Penalized For Faulty Tax Returns

From Our Own Correspondent

SASKATOON — Dr. Charles Schom of Lashburn, pleaded guilty in Lloydminister police court to making incorrect income tax returns for 1942-43-44, and was fined $300, and given a year in which to pay the statutory penalty of double the outstanding tax due. In default thereof, he will be liable to a year in jail.

Dr. Schom admitted that his returns for the three years had showed a taxable income of $7,065, whereas the correct figure was $38,602. He blamed "pressure of work, lack of help and poor book-keeping."

I Try to Buy a Car!

"Slightly Used" Machines Bring Double List Price, in "Crazy" Market—Public Cashing in on Fantastic Prices

There's gold in used car lots these days. And to strike it rich, the second-hand car dealer doesn't have to do any prospecting. All he needs are some shiny-new used cars, and car-hungry Canadians will beat a path to his door.

In a two-hour survey of half a dozen used car lots in Toronto this week, 85 '46 and '47 cars were counted. And this represents only about one tenth of the lots in the city.

So far, the trade hasn't been able to stop this traffic in a scarce commodity. Makers have men out checking the serial numbers of cars found on lots to trace the original owner and put him on a blacklist, but at best, this can only have a slight effect on the back-alley trading.

Dealers are divided on whether the reimposition of price ceilings would halt it; some want customers to sign a pledge not to sell their car within six months. But in the end, they come back to the old law of supply and demand. Until these two factors balance, there seems to be little likelihood of any improvement.

Meanwhile Canadians are getting a fair sample in one commodity of what would have happened throughout the war in nearly every commodity if there had been no price control.

One lot was jammed tight with 41 new cars. Not one was priced lower than $1,995. Highest was $4,500 for a four-door Cadillac sedan, listed at $3,775.

Another dealer wanted $2,250 for a Ford de luxe Tudor ($1,437 list). This car was brand new in every way. The speedometer registered just 65 miles. Beside it stood a beautiful two-tone Buick for $3,600. ($2,585 list). It had gone but 175 miles.

On another lot was the newest car seen in the survey — a sleek Oldsmobile which still had some of the factory-wrapped brown paper around the bumpers. In the new car showroom, it sells for around $2,775, in the used-car lot, $3,595. The speedometer registered 165 miles.

The survey confirmed that measures taken by the new-car trade to curb the back-alley traffic between the new showrooms and the corner lots, haven't had much effect so far. Instead of petering out, the used-car bonanza seems to be booming.

Armed with a car-hungry look and a 1941 Ford with a bashed-in grille as bait, the researcher started at an east end branch lot of one of the biggest used-car dealers in the country.

"Here's the car for you," said the salesman, pointing to a Ford Tudor. "Brand new. See for yourself. Speedometer says 65 miles. Guy just drove it in here this morning. He took delivery yesterday. I guess he wanted to make a few bucks."

The "customer" looked and found everything as the salesman said. The car still had that tangy, new-car smell. There was no doubt that it hadn't been used.

"Er . . . how much?" asked the customer timidly.

"Well, I suppose you want to trade the Ford on it?"

"Yes, I guess so."

The salesman called the appraiser who got in the 1941 Ford,

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The Pace of Business

Only oil stocks rose in an otherwise featureless stock market last week. Western oils now up over 50% since low of last November. Industrials, golds and base metals all showed small declines latest week despite lifting of price ceilings on base metals, other products

Leduc oil area looks still better. Imperial Leduc No. 4 produced at 1,500 bbl. a day rate on open flow. Independents spud first well, Globe-Leduc No. 2.

Lower industrial material prices, at wholesale, in May, DBS says. Small decreases each week. Index May 28 was 127.0 compared with 128.3 May 1 and 102.5, May, 1946. Farm products advanced 1.5 points April 25 to May 30, 1947.

12,000 Nova Scotia miners end four months' strike, accepting offer of $1 a day plus extra 40 cents if production warrants. Renewed coal production expected to stimulate steel production, reduce drain on U. S. dollars for imports.

A 32% cost-of-living rise since August, 1939. A 2.5 point rise of DBS index to 133.1 in April was second largest monthly increase since September, 1939, when increase was 2.7 points. Changes in rents, butter, coal featured advances in all six components.

CPR gross earnings showed 16.2% increase to $5,896,000 week ended June 7, compared with same 1946 week.

Canned fruit and vegetable stocks show increases of a third and a half, respectively, over a year ago, DBS reports. Canned peas and beets stocks double last year totals.

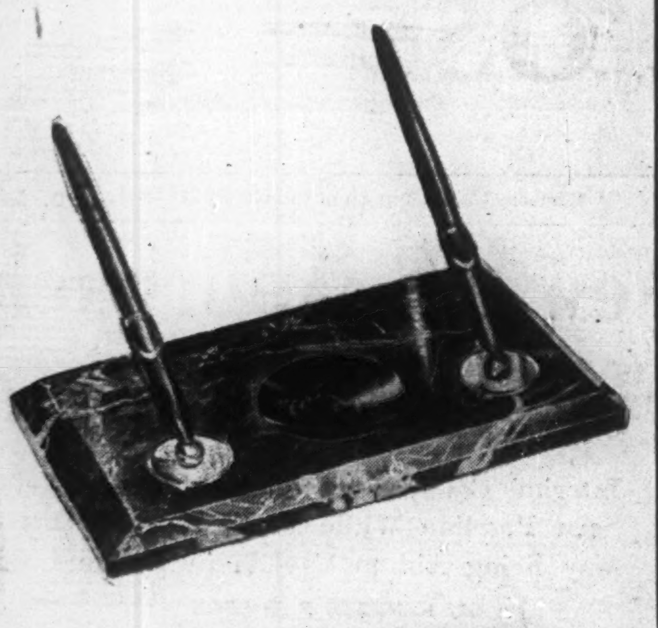
Economic activity in April showed 2% rise on DBS index of physical volume of business. Minerals, wheat flour, sugar, dairy products and electric power all increased. Newsprint, steel ingots and castings slightly lower.

Retail sales up 6% in April over same 1946 month. Fractional increase over previous month this year. Dollar volume for first four months shows 8% gain over similar 1946 period.

Electric power consumption continues to climb. DBS index (1936-39 = 100) touched 209.8 in April compared with March record of 201.3 and April, 1946, figure of 179.1.

New May carloadings record, when 81,154 cars loaded compared with 71,132 cars previous week and 66,317 cars for corresponding week of 1946.

End of price ceilings on additional list of nonferrous metals, construction material, household equipment, agricultural gear, clothing and food, expected to bring moderate price hikes in some lines but also to boost output.



One Of The New "Magic Wand" Parker "51" Desk Sets

Parker has added something new and practical in desk sets to complement the smooth lines and efficiency of their leading "51" and please the "pressed-for-time" executive. The "Magic Wand," reducing reaching and twisting, holds the pen magnetically in almost any desired angle and position. The new scoop-receptacle eliminating poking and "bulls-eye" aiming makes pen replacement casual and easy. For your inspection at Eaton's are many styles to colourfully contrast or handsomely harmonize with nearly any size and shape of desk.

EATON'S

Used-car Market 'Crazy' Prices Higher Than New

(Continued from page 1)

started the motor, took a quick look at the fenders, then said; "$1,450 difference."

The customer gulped. "Did you say $1,450?"

"Well, we might get that down to $1,400 but that's the limit," the boss said.

"Used" Price 200% of New

"Well how much does that mean you're allowing me on the Ford?"

"$895; and you're getting a good deal. Look at it; no grille, fenders bashed in. Pretty dirty all round."

The customer did a bit of quick figuring. "That means you want $2,295 for the Ford as it stands. What did it cost new?"

For a used-car dealer and salesmen, they were remarkably uninformed about list prices. The salesmen "thought" it might be around $1,700. (actual price with spare tire, license and heater; $1,437).

The customer was offered a '46 Monarch sedan at the same price —$2,295. The speedometer said 3,000 miles but the scuffed tires and rusty nicks and scratches suggested 13,000.

Near by was a Buick super. It had just 165 miles on it. The price: $3,600 or $1,015 over the original price. The salesman explained that the owner decided it was a bit out of his class (after he took delivery, of course).

This dealer also had two '46 Chevrolets. One, a standard coach, originally cost $1,456. The dealer wanted $1,995. The other was a four-door sedan; original cost, $1,518; on the car lot, $2,125.

New Car Showroom Bare

Between this lot and the next one on the survey is one of Ontaro's biggest new-car dealers. His showroom was bare. In May, he'd got just 21 cars. Not far away is the lot which had 41 new cars parked on it.

The manager of the next lot visited was sorry he didn't have a wide selection — only eight new cars. On Saturday, he had 13. Saturday was a good day; sold five new cars and half a dozen old ones.

A Studebaker Commander went for $3,500 (basic list price, around $2,100). But of course, this one had some extras. This dealer also sold a Studebaker Champion for $2,500 (basic price, $1,800); but of course, this one was a little honey too; overdrive, acclimatizing heater and radio.

He also got rid of a couple of Fords and a Chevrolet. Saturday, he confessed, wasn't a bad day at all. Right now, the boss was out trying to build up their supply. If the customer was interested in a Studebaker, he thought, he might have one tomorrow.

As for trading the Ford in on a Monarch, he figured $1,000 difference would swing the deal. At least, this was better than the first offer. In this case, the Ford was appraised at $995. That meant the Monarch, a black two-door sedan, was priced at $1,995. It looked like the best deal of all.

"Crazy Buying Public"

In the next test, the customer just tried to sell the Ford. The best offer was $750 and this bidder said if it weren't for inflation and the crazy buying public, he wouldn't offer any more than $300, because that's all it was actually worth.

Yet on the same lot, a somewhat dishevelled Plymouth coach was priced at $1,495; a 1941 Chev. at $1,195. Why, the difference between the selling and buying price, the customer wanted to know. Well, there was the mark-up; handling, storage, inspection and overhaul — about $400 worth.

A 1946 Monarch sedan was used in the next experiment. By a coincidence, the lot selected had a car exactly like it, even to color. The price, $2,345. Yet the most the customer could get for his Monarch, even though it had gone 3,000 fewer miles, was $1,750. It originally cost him $1,610 complete with heater, spare tire and license.

But the big lot with the 41 new cars beat everything. While there, a new Oldsmobile was driven on and placed in line. It still had some of the brown paper wrapping around the bumpers which the maker puts on to protect the chrome. They didn't know exactly how much it was but with a 1941 Ford to trade, they'd need at least $2,595 to boot.

Allow Flat $1,000

These people didn't even want to see the Ford trade-in. If it was a 1941, the allowance was $1,000 even. No questions asked; none expected. Here's the Oldsmobile; just fresh out of the showroom. Drive it away right now. Just sign here.

This lot featured General Motors Products. Of the 41 new cars counted, there were only two Ford makes — both Mercury 114's and no Chrysler products. The rest were mainly Chevrolets, Pontiacs, a few Oldsmobiles, two Packards, three Hudsons, half a dozen Buicks and one Cadillac.

"Where do they all come from," the lot manager was asked.

"Oh, everywhere; but mainly from people who want to cash in on these crazy prices."

"How's business holding up. Aren't things beginning to taper off?"

"Never better," he replied. "Sales just keep on going up. Trouble is, we can't get enough cars."

As he climbed behind the wheel of the old Ford which was beginning to look better after every lot visited, the customer-researcher did a bit of figuring.

One In Eight Sold As "Old"

There are 77 used-car dealers listed in the Toronto telephone book. The survey showed 85 cars in six lots. That works out to about 14 to a lot. But just to be conservative, let's cut that down to five to a lot in estimating for the city.

That would give the 77 lots in Toronto close to 400 cars between them. This represents one-eighth of all the new car registrations in Ontario during April. In other words, one out of every eight new cars sold in Ontario find their way on to Toronto used-car lots. If the Ontario sales could be broken down into Toronto transactions, the ratio would undoubtedly be far worse.

Archbishop Roy Hinted as Next Canadian Cardinal

Week end announcement of the appointment of Most Rev. Maurice Roy as Archbishop of Quebec, revived speculation that he might become Canada's next cardinal (The Financial Post, Jan. 25).

This is not yet a certainty, but it is recalled that in the past, all four of Canada's French-Canadian cardinals (Taschereau, Begin, Rouleau and Villeneuve) were archbishops of Quebec. And since the elevation of Archbishop McGuigan of Toronto to the College of Cardinals in 1945, it is taken for granted htat the next nominee from this country will be a French Canadian.

The appointment, which is not likely to be announced until December, is one which transcends purely denominational barriers. Archbishop Roy, now only 42, who served with distinction as an army chaplain during the war, is generally regarded as a strong exponent of collaboration between English and French-Canadians, and as an opponent of isolationism.

Dominion Hits Gold Hoarding

That the Dominion Government does not look with favor on "hoarding" of gold by Canadian gold mines and has power vested in it to permit expropriation of any such gold at $20.67 an ounce under a currency act of 1910 was made clear by Hon. Douglas Abbott, Minister of Finance.

Under a subsection of Section 28 of the 1934 Bank of Canada Act, it is pointed out that the Governor in Council has the power to require "every chartered bank or every other person to transfer to the bank any or all gold coin or bullion held in Canada." The expropriation price is based on the currency act passed in 1910.

"I believe the Government could take action under this authority if the situation appeared to warrant it," Mr. Abbott declared.

Immigration Doors Ajar But Far From Wide Open

(Continued from page 1)

Mr. Howe's idea that it might be reconverted to relieve North Atlantic congestion.

There is no doubt also that Mr. Howe will put his customary drive behind other efforts to increase Canada's share of passenger accommodation. Already the general situation has been considerably relieved by retention on the Canadian run of the Aquitania — a ship that a few months ago was slated for Australia on a 65-day turnaround to take immigrants to that country.

Parliament Changes Heart

Underneath these "top drawer" changes in personnel there has been a considerable change of heart in Parliament in respect of a broader immigration policy. The flood of requests for aid in getting individuals into Canada and the general pressure from constituents have turned the scales very sharply in favor of government action.

For some time, two courses of action have been open:

(1) to enlarge the general provisions under which relatives or persons with assured employment prospects could enter freely.

(2) to provide means whereby displaced persons could be admitted.

As regards DPs, policy until this week has been against a government-sponsored mass movement. It was decided last year that Canada should move through the Inter-Government Committee on Refugees and act in concert with other nations, rather than separately. Canada threw her weight and financial support behind the International Refugee Organization. She sat back, awaiting the creation and functioning of that body, in the belief that this was the proper channel through which to operate.

The decision to move directly, without waiting for IRO, reflects disappointment at the sluggish operation of suggested international machinery. Canada hasn't abandoned hope of IRO functioning. She has merely said she can't wait and that she will take 5,000 people now, of her own choosing, against any subsequent allotment which IRO may give us. Undoubtedly, if this initial movement is satisfactory the 5,000 limit will be raised.

Act Through Ottawa

Most likely, after the Dionne affair, the main line of approach for employers who want more help will now be through the Department of Labor. If you have an employment problem which can only be met by immigration, your best channel is probably to work through Immigration and National Selective Service to make sure that some of the 5,000 now coming to Canada will gravitate to your town and your factory.

Up till this week, two alternative lines of approach were being used.

1. There was the recent approach of "assured employment" whereby workers in mines, farms, logging or forests could be brought out. Already 1,400 persons are being moved here under the auspices of a number of Canadian companies to work in Canadian forests.

Also under this program, M. J. Coldwell recently told the House of Commons, the International Ladies Garment Workers, the Hat and Millinery Workers and the Men's Garment Workers Association — the Amalgamated Clothing Workers union—have entered into an arrangement with manufacturers and with the Minister of Labor, to bring in skilled labor to fill gaps in the needleworking trades in Canada.

2. There has been the "order-in-council" approach used by Mr. Dionne and in literally hundreds of individual cases to provide for special conditions, not specifically covered in statutory amendments or regulations to the Immigration laws.

Apart from the Dionne case, the great majority, if not all, of the orders-in-council passed cover single persons whose character and circumstances are said to warrant special covering authority.

Dionne Case History

The Dionne case is still under review in Parliament and will be, at least until Mr. Dionne himself appears and tells his side of the story.

As already disclosed by tabling of correspondence and by the debate in Parliament, Mr. Dionne, as far back as last October, wrote Hon. Paul Martin, then Secretary of State, asking authority to bring in 50 Polish girls to work in his spun rayon mill.

Mr. Martin isn't on record as having even acknowledged the Dionne letter. Other requests to Arthur MacNamara, etc., seem to have fallen on equally deaf ears. But in January, Mr. Dionne had an interview with Hon. J. A. Glen at which some progress was made. A promise was given on March 27, that a permit for 100 girls would be forthcoming and the order-in-council was passed April 1. This order and the correspondence was tabled in the House on May 26.

Meanwhile a question asked on April 22 of Mr. Glen by Angus MacInnis respecting the Dionne affair had brought forth a negative reply — despite the fact that the order-in-council had been passed three weeks earlier. The Government has not succeeded in explaining that unfortunate blunder.

Even now, the status of the 100 girls and their two-year "contract" with Mr. Dionne is still unclear. In a letter dated April 14 and addressed to the Intergovernmental Committee on Refugees in London, Mr. Dionne states categorically that "no deduction from the wages will be made by the company for the cost of transportation of the worker from Germany to destination in Canada."

Earlier, in correspondence with the Government, and later in newspaper interviews, it was stated that the workers were being charged the $300 or more which it cost to fly them to Canada. The money was to be deducted from their wages.

So long as displaced persons are brought out through the Intergovernmental Committee on Refugees, this committee undertakes to provide steamship accommodation and pay passage. This is the basis on which the new allocation of 5,000 will be brought. But in Mr. Dionne's case, as no shipping was immediately available, and as he was in a hurry to get his workers, he decided to fly them here.

One point at which the Government quite definitely and deliberately continues to "close the door" is in respect of government-assisted passages. At the moment, there is no indication of any change in long term government policy against assisted passages.

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B. C. Telephone Co.—W. R. Jones, general plant manager; R. J. Mitchell, chief engineer.

British Columbia Forest Products Ltd.—Thos. Burgess, assistant general manager.

Ayerst, McKenna & Harrison Ltd. (Canada)—A. Stanley Cook, vice-president.

Canadian Commodity Exchange, Inc.—K. H. Olive, president; John Freeman, vice-president; F. E. Wright, R. A. Chisholm, governors; A. D. Descary, treasurer.

Bank of Montreal—Arthur C. Jensen, assistant general manager; Thos. C. Bowen, superintendent, Quebec, Maritimes & Newfoundland district; Ernest E. Rutherford, manager, main office, Montreal.

Canadian Liquid Air Co. (Montreal)—A. S. Turnbull, manager of general services; R. A. Dunn, general sales manager; A. Girouard, district sales manager; L. J. Charton, manager, Montreal branch J. R. Stewart, manager Toronto branch.

Canadian Political Science Association—Prof. V. W. Bladen (Toronto) president; W. B. Hurd (Hamilton) vice-president; C. B. Macpherson (Toronto) secretary-treasurer.

Canadian Association of Actuaries—Aistair M. Campbell, president.

Canadian Education Association—F. K. Stewart, executive secretary.

Canadian Breweries Ltd.—Clifford W. Hale, sales promotion manager.

Canadian Wholesale Grocers' Association—Alan R. Moore (Stratford) president; Mrs. E. L. Fairclough (Hamilton) secretary-treasurer.

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Engineering Products of Canada Ltd. (Montreal)—Grant W. Hawkey, sales manager.

Empire Life Insurance Co.—H. H. Blakeman, general manager and actuary.

Fidelity Insurance Co. of Canada—Hartland de M. Molson, a director.

General Detroit Corp., Canada—Harris Popplewell, general manager.

Grant Advertising (of Canada) Ltd.—D. McMillan, Sr., president; D. McMillan, Jr., executive vice-president.

Hunter-Rose Co. (Toronto)—Geo. C. Smithers, president.

Industrial Association of British Columbia—J. C. Stewart, manager.

Moffatt's Ltd. (Weston, Ont.)—H. C. Darroch, assistant general manager.

Montreal Stock Exchange—Louis Geoffrion, a member.

Montreal Curb Market—Jacques Forget, a member.

National Sanitarium Association—James Stewart, Gordon C. Lindsay, W. K. Whiteford (all of Toronto), directors.

National Federation of Sales Executives—Roydon M. Barbour (Toronto) international director.

National Association of Purchasing Agents—Garnett T. Dickson (Toronto) president.

Odeon Theatres of Canada Ltd.—L. W. Brockington, Geo. W. Peters, vice-presidents; Allan E. Robinette, secretary.

Ontario Mayors & Reeves Assoc.—Robert Hood Saunders (Toronto), president; Sam Lawrence (Hamilton), Fred G. Gardiner (Forest Hill), Ann Shipley (Teck tp.), vice-president's Stanley Lewis (Otawa), treasurer.

RCA Victor Co. (Montreal)—Lawrence Landerman, coin phonograph sales manager.

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Tip Top Tailors Ltd.—G. B. Allman, manager Edmonton store.

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U. S. Seeking New Approach

(Continued from page 1)

appropriate $5 billions a year for three years (as was recently suggested by Dean Acheson, former under-secretary of state) as a peacetime lend-lease or grant toward European recovery, then this new source of dollars might well be drawn on to purchase in Canada foods, metals, timber or other materials with which to aid in the reconstruction program. Such assistance could then be given without drawing further on either Canadian dollar credit or existing U. S. credits.

Just what place a peacetime Hyde Park agreement would have in such a program, would depend on many circumstances and considerations.

As already indicated, work on some form of peacetime purchasing by the U. S. Government from Canada has been under way for some time. But the nature and extent of such a plan would be very largely conditioned by what steps, if any, the United States was prepared to take toward an over-all approach to European recovery.

If such an approach is forthcoming, then the need and direction of a smaller Canadian agreement would be correspondingly altered. So would the need for any restrictive measures by Canada to curb the present high importation of U. S. goods and merchandise into this country.

Record Acreage For Tobacco

(Continued from page 1)

ing prices and tariffs, a U. K. importer can save about 50c. a lb. by taking Canadian flue-cured cigarette tobacco instead of comparative U. S. grades. The tariff differential in our favor amounts to about 36c. a lb.

Equally important has been the sharp decline in imports over the last 10 years. In face of a consumption rate which has more than doubled in that time, imports have been practically cut in half. Today domestic grown tobacco comprises over 98% of the tobacco used in Canadian-made cigarettes; in 1930, only 50% of it was home-grown.

At the same time, over-all production has about trebled from 1936.

Look For It Here

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'Free Trade Unionism, Communism Don't Mix'

Within a week, the Canadian labor-union communists have received a double setback of major proportions, first on the AFL-TLC sector and now on the CIO-CCL front. This latest anti-Red attack confirms what has been apparent for some time; that the communists are today running into the stiffest opposition they have encountered since they began infiltrating the trade union movement.

From now on the communists can expect the opposition to grow stronger and more violent. For the first time, legitimate labor is battling fire with fire. Previously, unions preferred to keep their internal squabbles to themselves. The issue of communism was seldom referred to directly. Even now, some coyly shy away from calling a communist a communist.

But recent events suggest that the sham and camouflage of the Reds is being stripped away bit by bit to expose their activities to public scrutiny. In the current anti-Red campaign, the Toronto District Trades and Labor Council started the ball rolling (See page 12). Indirectly, this blow-up had a bearing on this week's verbal battle in the Toronto Labor Council (CCL).

Most outspoken anti-communist in the CCL-communist fight was Edward C. Cluny, board director of the Textile Workers Union of America (CIO-CCL), although the target for the Red attack was Murray Cotterill, council president and an official of the CIO United Steelworkers.

Cluny put the issue squarely up to the CCL council when he said: "Free trade unionism and communism cannot long exist side by side. One or the other must go. We are determined to preserve and protect our democratic institutions.

"The CIO Textile Workers Union bars communists and fascists from any official position. What about the AFL union? At the moment we are engaged in a fight to the finish with this communist-dominated organization.

"The issue is simple: is the CIO, because of its affiliation with the CCL, or the AFL union, a satellite of the Labor Progressive Party, going to receive the endorsation of this council?"

• • •

CIO Woman Delegate Leads Attack on Reds

Taking second place to Cluny in the firing line was a woman, Rita Gray, who dragged the CIO United Electrical Workers into the fray. Mrs. Gray was representing a local which recently switched from the CIO United Electrical Workers to the Steelworkers, because of the UEW communist activity.

"Unless you belong to the Labor Progressive Party you are of no use to the UEW," she charged, adding, "UEW leaders don't want the people to know that the rank and file of their union is split wide open."

The spark which kindled the anti-communist fire in the CIO-CCL camp was however, the action of the rival AFL-TLC council in going to the defense of the communist-controlled AFL Textile Union. This consisted of a vote of censure on CIO Cotterill for urging workers in two Toronto plants of the Monarch Knitting Co., now in the AFL Textile Union, to switch to the CIO.

To many, this was confusing, for at the same meeting, the leading Toronto procommunist AFL unionist, Sam Lapedes was censured for his activities. In one breath the communists were slapped down; in another, given a helping hand.

The explanation: In the case of coming to the defense of the textile workers, the AFL was motivated by a spirit of self-preservation. The CIO move was clearly an attempt to "raid" the rival AFL group. And even if it was a communist outfit being raided, the threat to the AFL as a whole from the CIO, cut clear across political lines.

It was Cotterill's attempt to explain and justify this raiding action that plunged the CCL Labor Council into a Red turmoil. In the end, his position was upheld 66-32. In this case, it was a clear division along party lines; the 66 votes supporting Cotterill were anti-communist, pro-CCF; the 32 procommunist, anti-CCF.

Cotterill's chief defense counsel was CIO Textile official, Edward Cluny. He said that Cotterill, in endorsing the CIO union had only done what Pat Conroy, CCL secretary and A. R. Mosher, CCL president, have done and without any criticism being levelled at them.

Cluny said the decision to appeal to the men and women in the AFL union to switch was taken in their own interests. He said the AFL Textile union had conducted some "disastrous strikes." In 1946, a 13-week strike was settled for three cents an hour; in Toronto, two plants of the Monarch Knitting Co. (these are the plants the CIO Union is after) were struck for seven weeks and then settled for 2½c. more than the company offered; at the present time, the AFL union is engaged in a strike at Lachute; an equally violent dispute occurred last year at Valleyfield, Que.

The communists fought long and hard, as they always do. They dug down deep into their verbal bag for such typically communist phrases as "red baiter; callous disregard of democracy; gross misuse of office; saboteurs of trade union unity"; but they were still beaten.

At the height of the noisy, bitter debate, the tension was relieved when a bench collapsed under the weight of eight delegates. As they scrambled to their feet, Fred Collins, procommunist official of the AFL Fur and Leather Workers, sang out: "Don't take things so seriously."

Although spoken in jest, nothing could have been closer to the truth as far as some communists are concerned. For at last, labor does seem to be taking the communists seriously.

• • •

CIO Rubber, Auto Workers Agree to Terms

In a week the management-labor scene has shown considerable improvement. The United Auto Workers (CIO-CCL) and the Massey Harris Co. have reached a settlement covering 6,000 workers in the firm's Toronto and Brantford plants. The union got raises from 8c. to 13c. an hour retroactive to April 15, plus four paid statutory holidays. The union originally asked for 15c. an hour and pay for eight holidays.

On union security, agreement was reached on a form of maintenance of membership and modified union shop. Employees who are members of the union are required to remain in good standing as a condition of employment. New employees must join the union within 30 days, according to a union spokesman. In dollars and cents, the raises mean between $3.60 and $5.85 a week.

Negotiations with the auto manufacturers are proceeding.

Another big CIO to reach a separate agreement with an employer this week was the United Rubber Workers (CIO-CCL). They settled for raises ranging from 9c. to 16c. an hour for 2,100 employees of the Goodyear Tire and Rubber Co. at New Toronto, Ont. The raises average out to 11.69c. an hour. The membership also ratified a new agreement with the company providing for a voluntary checkoff. The union originally demanded 20c. an hour. The company, along with others in the industry, countered with 5c.

• • •

Anaconda Employees Want 20c Raise; 4½c Offered

Negotiations in another New Toronto plant weren't quite so successful, although there is nothing to suggest, as yet, that a deadlock has been reached. Members of Local 81, International Union of Mine, Mill and Smelter Workers, rejected an offer of a 4½c. an hour raise by the Anaconda American Brass Co. The union is asking for 20c.

In explanation, U. M. Evans, works manager, advised all employees by circular that the original agreement provided for an increase of 25c. a week for every one point increase in the cost of living index. Since then, the index has gone up 5½ points. This calls for a raise of $1.38 a week. Instead, by offering 4½c. an hour, the company would raise weekly pay cheques by $2.

The letter also explained that there had been no substantial advance in production and that taxes continued high. Net profits for the first quarter indicated profit of something less than 2% on the investment.

• • •

Saskatoon Carpenters Strike For $1.25 an Hour

Two hundred of Saskatoon's 300 carpenters are involved in a lockout over a strike against one contractor. The lockout and strike has tied up millions of dollars worth of building. All major buldings are tied up.

The dispute occurred when employees of Smith Bros & Wilson struck to force a raise of from $1.02 an hour to $1.25. The company offered $1.15. The contractor's association then decided to halt all work and laid off the rest of the union carpenters.

All attempts at settlement have so far failed. Now union organizers are threatening to call sympathy strikes in other branches of the industry. Meanwhile, many skilled carpenters are leaving better jobs in British Columbia.

• • •

Labor Bill May Decide Truman's Political Road

What will President Truman do about the history-making labor bill now sitting on his desk? In many ways, his decision to sanction or veto it, will be a signpost pointing to the political road he may have decided to take for a return trip to the White House.

A veto would re-establish his standing with organized labor but it would also antagonize business and alienate certain sections of the public. In view of his recent utterances in support of labor's campaign for lower prices and his blunt advice to business regarding profits, Mr. Truman appears to be trying to woo labor. If this is so, a veto is almost certain for both CIO and AFL sections of labor are up in arms over the Republican measure.

Last week, by a vote of 54-17, the Senate approved the new labor bill. President Truman has 10 days to make up his mind what to do. If he vetoes it, the Senate majority, as indicated by the vote in favor of it, is large enough (two thirds) to override his decision.

However, there's a strong chance that a strong veto message might cause some of 17 Democrats who originally supported the bill, to switch. In that case, the Republicans might not be able to counteract a veto.

Bitterly opposed by labor but described by its sponsors as an incentive to production and management-labor peace, the bill:

1. Permits the Government to get 80-day court injunctions against strikes that endanger the national welfare, such as a railroad or coal mine tie-up.

2. Outlaws the closed shop, in which only union members may be hired. (Few unions have this now, so, except on principle, labor has lost little here.)

3. Permits the union shop only when a majority of workers vote for it. (In the union shop, workers may be hired but they must join the union within a specified period.)

4. Outlaws union-controlled health and welfare funds established since 1946. (This won't hurt much either, as only the United Mine Workers have large-scale funds and most of these were inaugurated before the outlaw date.)

5. Makes unions liable for unfair labor practices and subject to legal action for violation of contract.

6. Outlaws jurisdictional strikes and secondary boycotts in which a union strikes at employers not involved in a dispute, merely because he is handling the products of the strike-bound business

It's Your Money

By W. BRUCE MACKINNON
Maclean-Hunter Editorial Research

Part of the price of new government services is the number of new employees such expansion involves. Not only does a new service mean more civil servants directly engaged, but there are civil servants to serve the new civil servants, to pay their salaries, check on their work, get them offices and desks, clean their windows and so on.

One of these service departments is the office of the Comptroller of the Treasury whose Ottawa staff now fills four and a half pages of the government telephone directory. The Comptroller's staff now numbers over 5,300. It had fewer than 1,100 in 1939. Employees are stationed through all the spending and earning departments, and are responsible for most of the money spent by Ottawa. They are also responsible for auditing and inspecting war contracts.

Here is how new governmental services, and the expansion of some old services, have inflated the Comptroller's payroll:

Armed forces now require 800 treasury employees against 250 in 1939. The reason: increase of normal forces establishment from 8,000 to 50,000.

Some 600 treasury employees are required to pay family allowance cheques every month.

Some 700 treasury employees make unemployment insurance payments. Every contributor's insurance book is checked before he gets unemployment benefits.

Some 1,500 treasury officials make and check payments made by the Department of Veterans' Affairs. Before the war, 250 looked after World War I veterans.

Some 150 treasury employees are connected with WPTB, the National Film Board and the Department of Reconstruction and Supply.

The 4,000-odd boost in the treasury staff is largely due to new government services.

at the
CANADIAN INTERNATIONAL TRADE FAIR
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INVESTMENTS THIS WEEK

Wage-labor Uncertainty Big Factor in Brazilian

Although the annual report of Brazilian Traction Light & Power Co. reveals all services, except traction, and revenues reached new peaks in 1946, the market price of its common stock did not respond to the good financial and operating results.

The reason for the poor market showing may be summed up in one word — "uncertainty." The two principal factors here at present are future wage costs and possible exchange regulation.

Wage increases amounting to about $5.8 million a year became effective June 1, 1946, while relief in the form of increased rates was not allowed until Jan. 1, 1947. Wage adjustments were equivalent to $1.8 million a year while employees received a Christmas bonus from eight to 16 days' pay.

The Constitution was changed to provide for "obligatory and direct participation of the worker in the profits" and a weekly day of rest. The company is unable to forecast when this legislation may become effective, or the effect of worker profit participation. Cost of the weekly day of rest is estimated at $6 millions a year. Obviously, until these questions are settled, investors will be inclined to be wary.

On the favorable side, President Henry Borden notes that labor relations have remained cordial, and that dissatisfaction is directed against the inflationary spiral rather than against the company itself.

The other big uncertainty is the fear of restrictive exchange regulations. Restrictions on repatriation of capital and remittances of interest, dividends and profits have been temporarily suspended since August 1946. Although these restrictions were not expected to hamper the company, investors are always more hesitant where there is a possibility of government restrictions.

Confidence of the directors in the future of this great enterprise is indicated by their announced five-year expansion program calling for an expenditure of $160 millions. It would not seem likely that they would invest such a large sum of new money if a reasonable return on the investment were not anticipated.

On the financial side, net profit reached a new high of over $23.1 millions in 1946—due entirely to the increased volume of business, as the percentage of net profit to gross revenues has been dropping. Net operating earnings for the first four months of this year continued to climb this year, being up 10.78% from 1946.

Despite a $11.6 million reduction in working capital in 1946 reflecting the higher capital expenditures, Brazilian's current position remains strong. Working capital of $47,654,689 at Dec. 31, 1946, is nearly 2.3 times its Dec. 31, 1939, level of $20,852,097. (For annual report see page 8.)

Earnings of $3.28 a common share in 1946 were also at a new high. Brazilian common at its current price of about $22½-$22 is only selling about 6.7 times its 1946 earnings—considered a low ratio for a utility, but reflecting the uncertainties in the situation.

* * *

Three Factors Outlined Favorable to "Newsprints"

Three important factors affecting the newsprint industry are emphasized in a discussion of the outlook for the industry in general and that of Great Lakes Paper Co. in particular by Gairdner & Co. They are:

(1) Newsprint capacity has not increased, despite excess demand and increases in prices, because of the absence of additional timber limits and additional sources of power supply.

(2) The price of newsprint has increased less than the general level of commodities in the United States.

(3) The greatly improved position of newsprint companies by reason of the reduction in debt and interest charges and increases in working capital.

The newsprint industry is in an entirely different position than that in the late 1920's and early 1930's; it is conservatively financed; it is much more soundly and efficiently operated; and is probably in a sounder position than at any time in its history, the study states.

After reviewing the position of Great Lakes Paper, the study states that it should have a most satisfactory long-term outlook for its products and for profitable operations.

A chart of installed newsprint capacity from 1927 to the present and a chart of the price of newsprint compared with the general price level in the United States is included.

Goodyear 4% Pref. Is Quickly Sold

A rapid oversubscription is reported to an offering of an additional 50,000 4% cumulative redeemable preferred shares, par $50, of Goodyear Tire & Rubber Co. of Canada by A. E. Ames & Co. Dominion Securities Corp. and Nesbitt, Thomson & Co. The stock represented the remaining authorized but unissued preferred shares. The offering price was $52.50 a share to yield about 3.81%.

Proceeds of the issue will be used for the general corporate purposes of the company, it is stated.

Goodyear has recently extended its facilities by acquisition of additional premises, including a plant in Quebec which, when equipped with the necessary machinery, will be used for manufacture of miscellaneous rubber products. In addition, two new factories are now under construction in New Toronto, to be devoted to the manufacturer of "Air Foam" and "Pliofilm" products. These products were formerly purchased by the company for its business.

* * *

Suggests Shareholders Get First Chance at New Issues

A suggestion that common shareholders should have a preferred opportunity to put up additional capital, when it is required, is made by John Kenny Strahan, Victoria, B.C., in a letter to The Financial Post which refers specially to the new Shawinigan preferred issue. Pointing out that it will rank ahead of the common Mr. Strahan writes:

"Common stockholders have seen their shares fall from a high of about $50 each to a low of around $12 in 1942; they are now around $23. I have written to the company suggesting that the existing stockholders should be allowed prior opportunity to subscribe for this new issue and I hold other stockholders will support this reasonable request. Good preferred shares are in great demand today and I think Shawinigan shareholders should write to the company and make their wishes clearly known. There is little time, for the meeting called to authorize this large issue of preferred shares is on June 18."

This is an idea which might merit consideration by all companies faced with the necessity of raising new money. There may be times when such a policy may not be feasible, of course.

* * *

Brown Co. Securities Seen as "Marked Value"

Due to the lack of publicity by the company and consequent lack of familiarity by the investing public with both Brown Co. and its securities, the latter have to some degree been overlooked and represent marked value at current levels, Lampard, Francis & Co. state as their opinion, in a current study of Brown Co.

There has been a very great change in the physical properties, which is resulting in a change from high cost or marginal production to low cost production, and which will enable the company to increase its profit margin under favorable conditions and ensure a strong competitive position when the present demand diminishes, the study states.

Earnings for 1947 are estimated at $20.17 a preferred share and $1.02 a common share on the basis of a 25% increase in sales value, a 15% increase in cost of sales and the assumption of the same physical volume and no downward adjustment of prices. This compares with $11.03 and 36c. respectively for the 1946 fiscal year.

Brown Co. preferred is currently selling about $77½ and the common at $4½ on the Montreal curb, No dividends have been paid on the stocks.

* * *

Annual Reports

While company directors and officers have a responsibility to report to shareholders, shareholders of all companies should feel that they also have an obligation to take an active interest in the activities of companies in which they have investment. One way of showing this would be by attendance at company meetings, whenever possible. Many executives have voiced disappointment at poor attendances at annual meetings. In addition to encouraging the management, shareholders would be able, by asking questions, to supplement the information in the annual report and to indicate the information they desire to see in the reports.

* * *

Brazilian Traction, Light & Power Co. annual report has been made more attractive by the inclusion of pictures which, in addition, give shareholders a better idea of the huge size of the undertaking—Canada's largest foreign investment.

* * *

Canadian Vickers Ltd. includes its notice of meeting as a page in the annual report. This makes it a better permanent record for shareholders. Other companies might well consider adopting this policy.

* * *

Dominion Coal Co. annual report contains no comment on the current problems which have been keeping it in the public eye. Shareholders would welcome some comment on these problems.

Calculation of New 1947 Taxes Simplified by New Tax Table

A new income tax table compiled by the income tax department at Ottawa makes the work of calculating one's 1947 income tax much easier.

At budget time, Finance Minister Abbott stated that as the new rates announced at that time for 1948 would also be effective for the last half of 1947, the taxpayer would calculate his tax by applying the rates announced in June 1946 to half his 1947 income and the rates announced on April 29, 1947, to the other half.

This meant working out the income tax twice, at the two different rates and then taking half of the total in each case.

With the aid of the new table, however, it is necessary to work out the tax only once on the full year's income and the calculations are relatively simple, as there is now no normal tax.

To work out one's taxable income, you simply deduct your exemptions, which gives your taxable income, and then apply the rates given below.

Thus take a married man with an income of $5,000, two children of family allowance age, and one under 18 but not receiving family allowance. He would have exemptions of $1,500 as a married man, $100 for each of the younger children or $200 altogether, $300 for the older child giving him total exemptions of $2,000. This would leave a taxable income of $3,000. On $2,500 his tax would be $566.26 while the tax on the remaining $500 would be 25½% or $127.50, a total of $693.75.

(If he pays $300 to charities and $200 to a corporation pension fund and has excessive medical expenses of $100 over four per cent of his salary he would increase his exemptions by $600.

But if his wife has a private income of her own of $450 he would have to reduce his exemptions by $200, the excess of of his wife's income over $250.

Here is the schedule of rates for 1947 taxes issued from Ottawa. They are a combination of the two schedules announced in 1946 and April 1947.

INCOME TAX ON

Taxable Income	Rate
First $100 (at 16%)	$16
$ 100 to $ 200	$16+17% of amt. over $100
$ 200 to $ 250	$33+18% of amt. over $200
$ 250 to $ 300	$42+19½% of amt. over $250
$ 300 to $ 400	$51.75+20½% of amt. over $300
$ 400 to $ 500	$72.25+21½% of amt. over $400
$ 500 to $ 1,000	$93.75+22½% of amt. over $500
$ 1,000 to $ 2,500	$206.25+24% of amt. over $1,000
$ 2,500 to $ 3,500	$566.25+25½% of amt. over $2,500
$ 3,500 to $ 4,500	$821.25+26½% of amt. over $3,500
$ 4,500 to $ 5,000	$1,086.25+28% of amt. over $4,500
$ 5,000 to $ 6,500	$1,226.25+30% of amt. over $5,000
$ 6,500 to $ 8,500	$1,676.25+34% of amt. over $6,500
$ 8,500 to $ 10,500	$2,356.25+38½% of amt. over $8,500
$ 10,500 to $ 11,500	$3,126.25+40½% of amt. over$10,500
$ 11,500 to $ 13,000	$3,531.25+43% of amt. over $11,500
$ 13,000 to $ 14,000	$4,176.25+45% of amt. over $13,000
$ 14,000 to $ 17,000	$4,625.25+47½% of amt. over $14,000
$ 17,000 to $ 18,000	$6,051.25+50% of amt. over $17,000
$ 18,000 to $ 25,000	$6,551.25+52½% of amt. over $18,000
$ 25,000 to $ 30,000	$10,226.25+55% of amt. over $25,000
$ 30,000 to $ 50,000	$12,976.25+57½% of amt. over $30,000
$ 50,000 to $ 70,000	$24,476.25+62½% of amt. over $50,000
$ 70,000 to $ 75,000	$36,976.25+65% of amt. over $70,000
$ 75,000 to $100,000	$40,226.25+67½% of amt. over $75,000
$100,000 to $150,000	$57,101.25+72½% of amt. over $100,000
$150,000 to $250,000	$93,351.25+77½% of amt. over $150,000
$250,000 to	$170,851.25+82½% of amt. over $250,000

Wanted: Storage Space For Crude and Fuel Oil

Canadian Tank Situation and U. S. Labor Chief Hold Keys to Next Winter's Fuel Supply For Canada

Urgently wanted: Storage space for crude and fuel oil.

Until Canadian oil companies get an answer to this "ad," they won't be in a position to guarantee fuel oil for much more than their regular customers next winter.

John L. Lewis is the big question mark in the coal situation. He could keep Canadians shivering next winter by calling another strike in U. S. coal fields.

These are two of the major controlling factors behind Canada's fuel picture for next winter.

The storage space is for essential increased imports of fuel oil from the United States. But officials are in no mood to repeat last winter's losses on U. S. imports. Price increases appear a near-term possibility.

Contract Customers O.K.

If you are one of the recognized fuel oil customers already on the contract books of the big Canadian refinery companies, you can consider yourself lucky—that is where double your number would like to be. Indications now are that regular customers will be looked after next winter — in fact, two of the larger refinery companies told The Financial Post this week that they have already arranged for sufficient fuel oil to honor all present contracts.

If normal running time remains constant at the U. S. coal mines, and no disruption occurs this summer in lake transportation, there will be no great supply problem in either industrial or domestic coal. But coal users can resign themselves to paying more for next winter's fuel supply.

Even to take care of present fuel oil contracts will mean about doubling fuel oil imports from the U. S., officials say. This won't be easy. A tight situation exists in the United States as well and many American refiners are already grabbing up available fuel oil supplies from southern refineries against next winter's emergency period.

Were additional steel for storage tanks to be made available this summer — and Government authorities are said working on it — oil companies could go all out in their search for U. S. fuel oil. As it is now they can't count on it and are only arranging to import what their storage facilities plus customers fuel tanks can accommodate. As a last resort, fuel oil could be pumped up through the Portland-Montreal pipelines for direct delivery or limited storage.

More Storage is Major Need

Canada's oil industry has been getting by on a refinery and storage capacity that has not increased since early in the war — and this in the face of a still rising demand for all petroleum products. The phenomenal jump in fuel oil demand has brought the whole situation into the limelight.

In the House of Commons last week Hon. C. D. Howe saw the situation serious enough to warn those contemplating converting from coal to oil to do so only after assurance had been received from a reliable source that a supply of fuel oil can be furnished. The situation will definitely carry through the burning season of 1947-48; it will perhaps be as difficult during 1948-49, the minister warned. The industry hopes that by 1950 the situation can be brought into equilibrium.

But the confused state of last winter's supply situation will not be repeated, officials claim. The public has been amply warned and "we know what we are up against," oil men say. They readily admit to the woeful underestimation of last winter's requirements and claim the worst catch in the problem was the oil space heater demand. Dealers of these increasingly popular heaters were not sufficiently organized to furnish data on fuel oil requirements. Indiscriminate sales of oil furnaces—mostly by smaller, independent dealers—also helped to knock earlier estimates into a cocked hat.

Imports Already Jumping

Of the 9,513,057 barrels of light fuel oils consumed in Canada last year, almost 1 million had to be imported from the U. S. Imports for the first two months of the current year amounted to 517,162 barrels, or over half of the entire previous year's figure. In bringing in these sharply mounting shipments at least two refinery companies — Imperial Oil and British American Oil had to take sizeable losses at then existing fuel oil retail prices.

Fuel oil yield per gallon of crude oil cannot be increased much more without throwing the whole refinery process out of economic and practical balance. The yield under the popular fluid catalytic cracking process coming into wide use will be muh smaller still.

Refinery officials estimate that it will take until 1950 before new refinery and storage capacity can make Canada independent in fuel oil needs.

At the moment the worst bottleneck in the coal supply picture is the shortage of coal cars in the United States. Coal car layoff through obsolescence is at a high rate on U. S. railways. Replacement is falling far behind. This is making for uneven deliveries to U. S. lake ports.

The large scale export of coal to Europe is also considerably reducing the supply available to Canadian importers. Currently it is estimated some 2.5 million tons of bituminous coal is being exported monthly to Europe and some 200,000 tons of anthracite by the U. S. The entire monthly production is only around 12 million and 1.2 millions tons respectively.

The worst of it, from Canada's standpoint is, that practically all of the European coal is being shipped from Eastern coal fields — the ones that meet our requirements.

By taking early delivery of coal the consumer could improve the whole supply picture, dealers state. Considerable coal stocks are piling up in dealers' yards. If this continues many importers, particularly smaller ones, will be forced to cancel, or slow down orders, to the U. S. suppliers. This in turn will make for wild scrambling for supplies at the last moment — supplies that will not be forthcoming from the coal mines.

Contrary to public thinking there has not been any sizeable falling off in demand for anthracite coal for home heating. What has been lost to competitive fuel oil has been made up by new building, officials say. There has been a very sizeable jump in amount of stoker coal used for home heating since the late '30's.

Progress Report

Canadian Food Products Limited has recently issued an interim report for the first half of its current fiscal year to April 19th, 1947.

During this period net profits available for the 4½% Preference Share dividends amounted to $9.45 per Share or more than four times dividend requirements.

We, as principals, offer for investment:

Canadian Food Products Limited

4½% Cumulative Convertible Redeemable Preference Shares of $100 Par Value

Price: At the market, about $100 per Share, to yield 4.50%

The Preference Shares are convertible into 4 Common Shares for each Preference Share until November 1st, 1951 and thereafter until November 1st, 1956 into 3 Common Shares.

A copy of the Interim Report will be gladly forwarded upon request.

Mail or telephone inquiries receive prompt attention.

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VICKERS LIMITED

THE 80TH ANNUAL GENERAL MEETING OF VICKERS LIMITED WAS HELD ON MAY 30th IN LONDON

Sir Archibald Jamieson, the Chairman, in the course of his speech, said: Our main problem in 1946 has continued to be the replacement of our armament work by commercial productions, and if we remember that our own specialised commercial products were few in number we have achieved greater success than might have been anticipated. It is an indication of the extent of this conversion that whereas the Works were wholly employed on Armament work at the end of the war, analysis of productive wages reveals that for the last month of 1946 the expenditure on commercial work was about 80 per cent of the total. I must, however, make it plain to our Stockholders once more that in addition to expanding our commercial activities it is our policy to maintain our specialised capacity for the wide range of armaments for which this Company has built up a world-wide reputation, and also to retain the highly qualified staff of specialists necessary for the design of such products. Stockholders will realise that this policy involves them in un-remunerative expenditure in maintaining this capacity as a reserve for possible future national demands.

Difficulties of Transition

In our efforts to carry through the changeover to commercial work, we have had disappointments and difficulties. Firstly, there was an inadequacy in numbers of certain types of labour. Secondly we are suffering from an acute shortage of many materials and only recently our steel allocations for shipbuilding and other purposes have been reduced seriously. Thirdly, we have had rising costs, which shake the confidence of our customers and contribute to the feeling of insecurity both at home and in the export markets of the world. Fourthly, there has been unavoidable delay in carrying out our programme of modernisation and re-equipment.

Large Orders Booked

The Shipyards at Barrow and Newcastle besides being modernised in every possible way, are being modified and re-equipped to allow of the introduction of welding and prefabrication on a large scale, with the appropriate modifications to cranes, etc., to enable large prefabricated sections to be handled in the shops and on the berths. Our Yards at both Barrow and Newcastle are very heavily booked.

In our Engineering Works we have been involved in a considerable amount of rebuilding and restoration, and the re-arrangement of plant to deal effectively with the large volume of commercial orders which have been secured.

The sale and production of the "Viking" proceeded satisfactorily during the year under review. In 1946 we were honoured by an order for four special "Viking" Aircraft to form part of the King's Flight and to accompany His Majesty on his South African Tour. Our technical staff are well advanced with the design of the Civil Transport Aircraft which should ultimately replace the "Viking," and it is hoped that the prototype will be flown in the early part of 1943. During the summer of 1946, Supermarine flew their first prototype single jet aircraft.

Financial Policy

The Profit and Loss Account was drawn up on lines which I may describe colloquially as conservative. It was prepared at a time when the Country was emerging from an acute stage of the "fuel crisis" and consequently at a time when we could make a close estimate of the actual cost to Vickers Armstrongs of the stoppage of work; this estimate was in the neighbourhood of £350,000 and that amount has been appropriated from a reserve not now required and specifically set aside for the purpose of meeting that cost. In addition there are bound to be consequential delays in completing contracts. This is one of the reasons which prompted us to set aside the sum of £950,000 to cover possible losses on contracts in hand, and I am satisfied that this was a wise and necessary precaution.

Visits to the Dominions

Your Executive Directors have been active in visiting the Dominions. I myself have recently returned from a two months visit to Australia and New Zealand, and during this short time, thanks to the courtesy of the Broken Hill Proprietary Company, and my friends in New Zealand, I was able to see and understand many of their activities. Sir Robert Micklem has visited Canada, and Sir Ronald Weeks and Major Kilner have been to South Africa. The object of these visits is to renew old contacts and friendships which had to be neglected during those long years of war, and to investigate new developments and conditions in these great and progressive countries; and to ascertain whether as time goes on we can make some useful contributions to their further development.

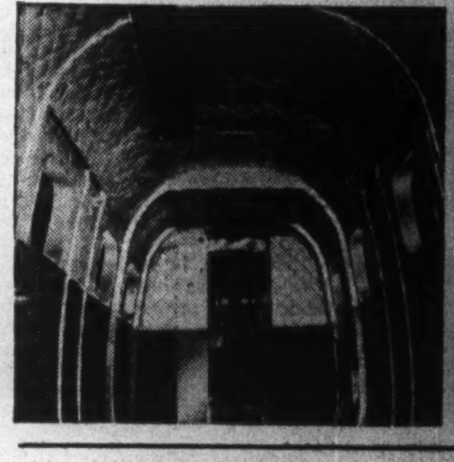
In South Africa and adjoining territories our Subsidiary, Vickers and Metropolitan Carriage (South Africa) Limited, represents the Group Companies, and I am satisfied that the prospects for increased business in that field are encouraging. In India also where the principal Group Companies are served by Vickers (India) Ltd., I am hopeful of expanding business. The well-known firm of Killick Nixon & Co. were appointed Managing Agents of Vickers (India) Ltd. as from 1st January, 1947. In Australia, Sir Keith Smith gives us most valued service in his capacity as General Representative of the Vickers Group, and in New Zealand, Messrs. Cory, Wright & Salmon Ltd. act as our agents and efficiently handle our interests in many and varied directions.

Future Prospects

If we are given adequate raw materials and reasonable supplies of our other requirements, we have at our disposal the necessary skill and craftsmanship in our Management and Work, people, and the necessary cash to make a very solid contribution to the export markets and the essential requirements of the home market, but at the present time there is every indication that supplies will be inadequate for our requirements. However, the conservative policy that has been followed for many years has placed your Company in a position where the Stockholders can look forward to the 1947 Report with reasonable confidence.

The Report was adopted.

Let's take a closer look at the FAIRCHILD HUSKY



As a freighter—24 floor fittings and 8 wall rings for securing cargo. C. G. range (11% to 35.5% SMC) eliminates need for ballast.

Deluxe passenger accommodation for 8 passengers or as many as 12 passengers in bush seats. Insulated, vibration-free, attractive cabin.

Crank-operated, the rear cargo door can be opened in flight for photography or crop dusting. Winch hook over door facilitates loading heavy objects.

Spacious engine compartment is easily accessible through easily opened panels. Entire "Power Egg" can be changed in an hour without breaking oil lines.

Pilot need not disturb cargo or passengers when entering or leaving cockpit through port and starboard doors.

Port and starboard doors are hinged to a removable fuselage section to provide full opening 413/4" wide x 48" high.

SEAPLANE PERFORMANCE

Cruising Speed—128.5 mph @ 300 bhp @ 2000 rpm @ 10,000'
Stalling Speed—58 mph @ 30° Flaps
Take Off Distance 2300 Ft. with 30° Flaps, glassy water, no wind.
Initial Rate of Climb 775'/min. @ 450 bhp @ Sea Level
To climb to 10,000 ft.—19 min. @ 400 bhp
Service Ceiling 15,500 ft.

(The above values are true (not indicated) and correct to I.C.A.N. temperature conditions taken with normal gross weight of 6,400 lbs.*)

Illustrated Brochure available on request.

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*Aircraft is now licensable at gross weight 6200 lbs.

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INVESTMENT
SECURITIES

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& COMPANY, LIMITED
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Branches in the principal cities of Canada

Br. Rubber Co. Pref. Offered 3% Bonds Sold

Buys J. H. Connor & Sons, Ottawa, For $1,-065,000

Public participation in another privately owned company is being invited this week with the offering of $750,000 5% cumulative redeemable sinking fund preferred shares, par $100, at par by McLeod, Young, Weir & Co.

British Rubber Co. of Canada is an operating and holding company incorporated in 1935 in Quebec to manufacture and sell rubber footwear and associated rubber products. Through wholly owned subsidiaries, Huron Manufacturing Co., and Montreal Shoe Stores Ltd.—Magasins de Chaussures Montreal Ltée., the company is also engaged in the manufacturing and marketing of a wide range of other products including leather footwear, slippers, and moccasins, and through J. H. Connor & Son, Ltd. and Castings of Ottawa, Ltd., washing machines for domestic and commercial use and commercial laundry equipment.

All the outstanding shares of J. H. Connor & Sons Ltd., Ottawa, Ont., was purchased for $1,065,000 under an agreement dated May 21, 1947, from Utica Co.

Montreal Shoe Stores, formerly J. B. Lefebvre Ltée, was acquired under an agreement dated May 14, 1946, for $300,000 and the name changed to the present name. It operates a chain of 36 shoe stores of which 14 are in Montreal.

The company's rubber footwear products are sold under the brand name of "Bulldog," while bicycle tires and tubes are marketed under the trade name of "Leader." Over 90% of its output is sold in the domestic market to wholesale jobbers, mail-order houses, departmental and retail stores, it is stated. Its plant is at Lachine, Que.

Huron Manufacturing Co. was purchased early in 1945. It manufactures moccasins, snow-packs, leather work mittens and gloves in a plant at Loretteville, Que.

Proceeds of the present preferred issue are being used to redeem certain outstanding bonds, notes and preferred shares.

In addition to the preferred issue, the company is selling $1 million 3% 10-year first mortgage and collateral trust serial bonds, to be dated June 1, 1947, privately to two Canadian banking institutions.

On completion of the financing, capitalization will consist of $1 million bonds, $750,000 5% preferred shares and 50,000 no par value common shares.

According to the statement of consolidated earnings in the prospectus, net earnings available for preferred dividends, including the estimated refundable portion of the excess profits tax, averaged $132,605 a year for the eleven fiscal years ended Apr. 30, 1947, with the exception that the final year represents less than 12 months operations as noted in the prospectus. As annual preferred dividend requirements amounts to $37,500, these earnings averaged 3.53 times requirements.

Orders on hand with the British Rubber Co. of Canada, Huron Manufacturing Co., and J. H. Connor & Son are sufficient to assure capacity operations for the balance of this year, President A. L. Mailman states. To date sales of Montreal Shoe Stores exceeds the like period of last year by approximately 50% due in part to addition of new stores and that company's management is confident the rate of increase will be maintained during the remaining months of 1947, he added.

Directors are:

A. L. Mailman, president; A. Stuart McLean, manager; A. Beverley Lewis; Norman H. Bell; M. W. Gallop, secretary; Wm. F. Macklaier, K.C.; and John E. Langdon; of Montreal; Joseph L. Mailman, New York; and W. M. Connor, Ottawa.

JOEL S. MITCHELL

has been appointed executive vice - president of Standard Brands Inc.

Seagrams Hit By Competition

MONTREAL (Staff)—Net profits of Distillers Corp-Seagrams at $42,312,779 were up approximately 133% for the nine months ended April 30, 1947 over the corresponding period a year before. This represents approximately $4.79 a share on the 8,769,350 common shares outstanding, after deducting preferred dividends paid in the first two quarters.

More significant to investors, however, is the fact that net profit has shown a decline in each quarter of the company's 1946-47 year. Starting off with $16.2 millions for the first three months, net profit dropped 4% in the second quarter to $15.5 millions. In the third quarter, just reported, net profit is $10.4 millions or a decline of 32% from the previous three months period and 35% down from the first quarter.

It is pointed out that this trend in the company's earnings is to a large extent responsible for the present low price-earnings ratio. With prospects of earnings of $6.40 for the full year, the common stock is now selling at around $15½, or not quite two and a half times earnings.

Distilling men say it is no secret that distilling companies have entered a period of heavy competition. It is stated that consumption of distilled spirits has declined noticeably since Sept., 1946. This, plus the fact that competition for the consumer's dollar (durable goods particularly) is constantly increasing, is said to make the future for distillers uncertain. Also possible is a revival of the old price wars in United States, where most sales are made and competition is keenest, it is stated.

New Belleville Plant For Northern Electric

At Belleville, Ont., this week, Bell Telephone's subsidiary Northern Electric Co. began construction of a one-story, 95,000-sq. ft. factory estimated to cost about $1 million equipped. E. G. M. Cape & Co., Montreal, the general contractor, also has work well advanced at Lachine, Que., on Northern Electric's new wire and cable plant reportedly to cost over $4 millions. Paul F. Sise, Montreal, is president.

Std. Chemical Asks Approval To Issue Pref.

A continuation of the expansion program of Standard Chemical Co. and the issuance of an additional 20,000 preferred shares is forecast in a letter to preferred shareholders accompanying the notice of meetings of shareholders to be held June 23.

The first meeting will be the annual and a special general meeting which, in addition to the usual business, will be asked to approve an increase in the directors from eight to 12 and to allow the executive committee to choose its own chairman.

Immediately following this meeting, there will be a meeting of holders of the 5% preferred shares to discuss a resolution approving the issuance of up to 20,000 preferred shares, in addition to the 10,000 shares now outstanding. This is necessary because the restrictive provision of the present issue requiring earnings to be three times preferred dividend requirements will not be complied with and so has to be waived.

Net profit of Standard Chemical, available for dividends totalled $370,337 for the year ending March 31, 1947. The annual dividend requirement for 30,000 5% preferred shares is $150,000 so that earnings were 2.4 times the new requirement or 0.6 times less than the required three times coverage.

Proceeds of the new preferred shares will be for the continuance of the program of expansion and for general corporate purposes, K. S. MacLachlan, president and managing director, states.

It may be assumed that, included in the program, is the purchase of additional common shares of Dominion Tar & Chemical Co. At March 31, 1947, Standard Chemical owned 155,960 common shares of Dominion Tar (35% of the outstanding common shares), and is understood to have purchased additional shares since.

Standard Chemical's annual report reveals that A. O. Ponder and Ralph Collins, president and executive assistant to the president respectively, of Dominion Tar have been elected directors of Standard Chemical. They replace L. M. Wood and Allan Miller although it is expected that these gentlemen will be re-elected following the increase in the number of directors.

Shawinigan Co. Common Profit Seen Holding

MONTREAL (Staff)—Following announcement of a new preferred stock issue by Shawinigan Water & Power Co. (The Financial Post, June 7) common shareholders are wondering what will happen to their earnings this year. After a look at the first quarter profit of $900,446, many feel that dividend requirements on the preferred will not eat into common earnings too much.

On the basis of net profit of $3.6 millions (four times first quarter) for 1947 it is estimated that $3.2 millions will be left for common shares, after deducting preferred dividends of $400,000 for the last six months of the year. This represents earnings per share on the common of $1.47, the same as last year.

Return on net worth looks to be about the same as last year, even with $20 millions additional capitalization of preferred stock. Last year return on net worth of $72 millions was approximately 4.4%; this year return on net worth of $92 millions, will be approximately the same, it is estimated.

Similarly, return on invested capital of $159.9 millions last year was approximately 3.8%. This year, on estimated invested capital of around $180.3 millions, return will be roughly 3.6%, based on first quarter profits, and taking into account interest savings on funded debt.

It is pointed out, however, that increased earnings from the additional assets, acquired with funds from the issue of the preferred stock, will probably not be evident this year. Thus while earnings on the common in 1947 will be about on a par with last year, shareholders are expecting to see greater profits provided by the new assets, in the future.

PROVINCE OF BRITISH COLUMBIA

2¾% SINKING FUND DEBENTURES

DUE JUNE 15, 1968

PRICE: 100.75 AND INTEREST

BELL, GOUINLOCK & CO.
LIMITED
ESTABLISHED 1920
MONTREAL TORONTO WINNIPEG

THE CORPORATION OF THE DISTRICT OF NORTH VANCOUVER

Notice to Holders of Debentures

Pursuant to "District of North Vancouver Debt Refunding Act" The Corporation of the District of North Vancouver hereby gives notice to all owners of the outstanding debentures of The Corporation of the District of North Vancouver and all owners of the outstanding debentures of The Burrard Inlet Tunnel and Bridge Company that are guaranteed by The Corporation of the District of North Vancouver to transfer said debentures to The Corporation of the District of North Vancouver and deliver them and all relevant matured and unpaid and all relevant unmatured and unpaid coupons on the Thirty-first day of July, One thousand nine hundred and forty-seven to The Corporation of the District of North Vancouver at the office of The Canadian Bank of Commerce at the City of North Vancouver, British Columbia, in exchange for a refunding debenture equal in principal amount to 93.96394 per centum of the principal amount of the debenture or debentures to be transferred for exchange as aforesaid.

Dated at the City of North Vancouver, British Columbia, this Twenty-sixth day of May, One thousand nine hundred and forty-seven.

The Corporation of the District of North Vancouver
by M. E. SOWDEN,
Commissioner.

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Changing Investment Conditions

Unceasing change is one inevitable rule of all business life. Prompt recognition of these fluctuations is vital to successful security investment.

Collier Norris & Quinlan
Members
Montreal Stock Exchange
Montreal Curb Market

New Issue

$750,000

The British Rubber Company of Canada Limited

(Incorporated under the laws of the Province of Quebec)

5% Cumulative Redeemable Sinking Fund Preferred Shares
(Par value $100 per share)

These 5% Cumulative Redeemable Sinking Fund Preferred Shares are to be fully paid and non-assessable; preferred as to dividends (which will accrue from June 12, 1947) and as to capital; entitled to fixed cumulative preferential cash dividends as and when declared by the Board of Directors at the rate of 5% per annum payable quarterly (on the last day of the months of January, April, July and October) by cheque or otherwise at par at any branch of the Company's bankers in Canada (far northern branches excepted); redeemable at the option of the Company in whole or in part from time to time by lot at $103 per share if redeemed on or before June 12, 1952, and at $102 per share if redeemed thereafter, in each case together with all unpaid and accrued dividends thereon, on 30 days' prior notice, or the Company may purchase Preferred Shares in lieu of redemption in the market or pursuant to tenders addressed to all holders of record of Preferred Shares then outstanding at prices not exceeding $103 per share if purchased on or before June 12, 1952, and at $102 per share if purchased thereafter, in each case together with all unpaid and accrued dividends thereon and costs of purchase.

Out of the consolidated net earnings (as defined) of the Company and its subsidiaries in the Company's fiscal year commencing May 1, 1947 and in each of its two succeeding fiscal years, the Company shall set aside as a Sinking Fund for the benefit of these Preferred Shares an amount per year equivalent to one-third of the net earnings of such year, and out of such earnings in the Company's fiscal year commencing May 1, 1950, and in each of its succeeding fiscal years, the Company shall set aside as such Sinking Fund an amount per year equivalent to 10% of the net earnings of such year, except that the maximum amount required to be set aside by the Company shall be $175,000 in the first year; $100,000 in the second year and $75,000 in the third year.

Complete detailed provisions covering these Preferred Shares are contained in the Statutory Information forming part of the offering circular.

Transfer Agent: Montreal Trust Company, Montreal and Toronto.
Registrar: The Royal Trust Company, Montreal and Toronto.

Capitalization
(Upon completion of this financing)

	Authorized	To be Outstanding
3% 10-Year First Mortgage and Collateral Trust Serial Bonds (1947-1957)	$1,000,000	$1,000,000
5% Cumulative Redeemable Sinking Fund Preferred Shares (this issue)	$2,000,000	$ 750,000
Common Shares, no par value	50,000	50,000

The Company has made application to list these Preferred Shares on The Toronto Stock Exchange and the Montreal Stock Exchange.

We, as principals, offer these Preferred Shares (which we have agreed to place for the Company) subject to prior sale and change in price, if, as and when issued by The British Rubber Company of Canada Limited, and subject to the approval of all legal details on our behalf by Messrs. MacDougall, Scott, Hugessen & Macklaier, Montreal; who are also Counsel for the Company.

The right is reserved to reject any application or to allot a smaller number of Preferred Shares than that applied for.

Price: $100 per share to yield 5%

It is expected that Interim Certificates will be ready for delivery on or about June 12, 1947.

A copy of the offering circular describing this issue will be promptly furnished upon request.

McLEOD, YOUNG, WEIR & COMPANY
LIMITED

Metropolitan Building, Toronto — Telephone: Elgin 0161
276 St. James Street West, Montreal — Telephone: Harbour 4261

Offices at
Toronto, Hamilton, London, Ottawa, Montreal, Quebec and New York.
Correspondents in London, England.

The statements contained herein are based upon information which we believe to be reliable; but are not guaranteed by us.

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... as part of your trip
TO OR FROM THE WEST...

Canadian Pacific's attractive rail-and-water route to or from the West gives you two days of sun, water and summer breezes . . . deck sports, splendid meals, glorious Great Lakes scenery.

Tell your local agent you want to break your journey with a Great Lakes cruise.

Sailings:
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EVERY TUESDAY AND SATURDAY
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Canadian Pacific

Classified ADVERTISEMENTS

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad. 12 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads. payable in advance. Contract rates on application.

ACCOUNTANT

DESIRES PERMANENT Toronto connection. Twenty years with present employers, firm of public accountants. E. W. Williamson, 26 Strath Ave., Toronto.

CAPITAL AVAILABLE

SUCCESSFUL BUSINESS man would invest up to $35,000.00 in well secured proposition as director or partner. Box 212, The Financial Post, Toronto.

CHARTERED ACCOUNTANT

AGE 33, 10 years' experience in auditing, accounting and administration desires position. Box 205, The Financial Post, Toronto.

ATTENTION MANUFACTURERS

ADDITIONAL HARDWARE lines required on basis of Manufacturers Agent or Manufacturers Representative in Ontario, excellent connections. Gordon R. Brown Sales Company, 42 Lessard Ave., Toronto 9, Ontario. LY. 1955.

MINING

NEW DISCOVERY: Lead, Zinc and Silver. Prospect for sale. By surface showing good grade Milling Ore. Fine climate, position. Terms reasonable. F. Rickward, Renalta, B.C.

SENIOR ACCOUNTANT

THOROUGHLY EXPERIENCED in cost, standard cost and general financial accounting and system installation. Experienced in merchandising, sales promotion and exports and of demonstrated organizing ability and integrity. Permanent and promising position sought at reasonable remuneration anywhere in Canada. Box 196, The Financial Post, Toronto 2, Ont.

BRITISH LT.-COL. coming to Toronto to settle September/October willing undertake business or private commissions, negotiations, in U. K. before departure. Well connected and highest integrity. Bank ref. supplied. Box 210, The Financial Post, Toronto.

Market Research

CHEMICAL ENGINEER, presently university lecturer, seeks position as field representative interviewing executives and professional men. Can submit evaluation report on personality, ability, interests, etc. Box 208, The Financial Post, Toronto.

Attention — Importers & Buyers

SCOTTISH EXPORTER visiting Canada and U. S. would like to contact prospective buyers of original line in men's Tartan shirts; importers Scottish Herrings in jars (Bismark, Rollmops, Matje Rings, etc.); importers of Scottish Cloth, Tartan Paper (for box-making), Toys and Plastic Fancy Goods; buyers of Walnut Shell Flour (filler for plywood synthetic adhesives); buyers of Aluminum Paint, metallic paints, rust, solvent, dry rot specific, furniture worm fluid, paint remover, etc. B. Gibson, c/o D. Thomson, 6 Elizabeth Street, Grimsby, Ontario.

They Mean Liquidation

On definite means of financing their Utopia, the CCF and other socialist parties have always been purposely vague. But occasionally, in unrehearsed discussion at least, a portion of the cat has been let out of the bag. In the recent parliamentary debate on the budget the taxpayer was given a hint of what it would cost him if Mr. Coldwell and his party were ever entrusted with power.

CCF members were not at all enthusiastic over Mr. Abbott's plan of easing the tax burden on lower- and middle-class incomes but at the same time maintaining present scale of exemptions so that all would continue to share in the general burden. The CCF would raise the exemptions and place the entire burden on those with incomes of over $3,000 a year.

Completely ignoring the fact that fewer than 250,000 Canadians have incomes of over $3,000 a year and less than 3,000 with incomes in excess of $25,000, all income taxes would be shifted onto this small group. Even at the present rate of government expenditures, the effect of such a switch would be crippling. For that minority to finance the enormous new expenditures planned by the CCF, it would be complete and speedy liquidation.

That would mean the end of the middle class —the highly skilled worker, the professional group, the small merchant, the successful farmer—the very people, who through their initiative, their thrift and their purchasing power, have contributed so largely to the development and prosperity of Canada.

Mr. Coldwell and his followers talk vaguely of the millionaires who would be compelled to finance their plans. They know that such talk is nonsense, that the latest figures show that there are but 160 people in all Canada with incomes of over $100,000 a year and that of their total earnings of $27 millions, all but $3 millions is already extracted in taxes.

If every cent of all incomes over $3,000 per year was confiscated—total in 1945 was $1,186 millions—there would still not be nearly enough money to carry out the socialists' program. Eventually as in other countries which have tried it, the main burden would inevitably fall on the little man. But by that time, the CCF would be firmly in the saddle and the little man would have to do as he was told.

Must Answer Their Propaganda

Private enterprise must speak up and in a language that everyone understands, J. H. Brace, president of the Montreal Board of Trade, pointed out at the annual meeting of that organization. While the communists and socialists have been loudly trying to sell their miserable wares, nobody has been trying to sell the system that has given this continent the highest standard of living in the world. Stated Mr. Brace:

"While we have achieved a fabulous record of industrial progress on this continent, management, labor and the public have only a scanty understanding of the principles which have made our system and its fruits the source to which the whole world now looks for aid.

"It is a matter of first importance that business management become conscious of the need to tell their employees not only how our system works —but also why it works as it does. It is time for business not only to speak out but also to adopt modern methods and techniques in seeing that the story of the world's most successful economic system is known and understood."

That is sound advice.

It may seem incredible to those who have close working experience with our Canadian way of life, that anyone could be attracted by a system which would reduce the citizen to a mere voiceless tool but we should remember what happened in Germany and Italy and what is still happening beyond the iron curtain. Hitler and the other dictators entrenched themselves by a flood of unrestricted and unchallenged propaganda. The same thing could happen here. It is all too true, as Mr. Brace points out, that management has taken too much for granted, "that their own staff understands the advantages of our economic system and that their own employees are impervious to the propaganda of the communist and those of the socialistic view. All too often management has been too busy doing other things and thus unaware of the nature of the competition for men's minds today."

They're Sure Gold Price Stays

"Gold is going to stay at $35 an ounce for a long, long time," flatly asserts the American Banker. It is not impressed by the fancy prices paid on some of the free gold markets of the world, arguing that these are as far out of line with real world values as are dollar cigarettes on some of the black markets of Europe.

Powers of the American Federal Reserve Banks, to issue currency and expand bank credit, says American Banker, "are far from their wartime extended potential limits." They do not need gold "for any conceivable monetary purpose or refuge."

This publication is extremely doubtful of even any temporary advantage from raising the price.

"Expanding our exports by paying higher prices for foreign gold," it says, " would be as temporary and inconclusive as expanding them by loans—perhaps more so, since loans will not be made except where there is in sight expectancy of adequate in-payments through imports and trade."

Certainly there can be no doubt as to American Banker's opinion.

Provincial Credit

Speaking before the annual meeting of the Dominion Mortgage and Investments Association, V. B. Van Wart, associate treasurer of Sun Life Assurance Co., stressed a point that investors in provincial government securities should keep in mind. What will happen to provincial credit should the present agreements between the seven provinces and the Dominion Government be abrogated? Said Mr. Van Wart:

"Seven provinces have already signed the agreement with the Dominion whereby they vacate certain tax fields in lieu of receiving annual grants from the Dominion. This means that from 30% to 45% of their revenues are placed on practically a Dominion basis and this should entitle some of them to a somewhat higher credit rating than they previously enjoyed.

"Unfortunately, though, very little effort has been made by any of them to curtail expenditures and should these agreements ever be abrogated, some of the provinces might quite well find themselves in difficulty. In fact, their costs of service have increased so much that most of the provinces, even with the Dominion grants, are not in a position to meet any unusual unemployment demands."

In some quarters there seems to be a feeling that by some miracle these tax agreements between the provinces and the Dominion will substantially increase the total public revenues in Canada. That of course is not true. The over-all plan merely calls for certain changes in tax collectors and a redistribution via grants, of collections. Government economies under the new arrangement will be just as imperative as ever before.

Your Willing Heart

Dr. John A. Oille, one of Canada's leading heart specialists, has an article on "Exercise the Heart" in a recent issue of "Health." In it, he dynamites quite a few popular beliefs.

Physical strain has nothing whatever to do with causing heart disease. All exercise or strain can do is reveal an already existing condition. "Indeed," says Dr. Oille, "exercise, carefully controlled, can improve the reserve of a damaged heart." The belief that placid and motionless resignation is the sole course can be dangerous.

There are, of course, some conditions that mean exercise should be cut to the minimum, but they are few. Dr. Oille mentions as examples, dropsy, when there is acute distress following such simple exercise as walking a few feet or a block or two, when there is a serious rheumatic heart condition or equally serious coronary thrombosis. Those must live a life of vegetation.

But, says Dr. Oille, most sufferers from angina or high blood pressure, or those fully recovered from coronary thrombosis think of themselves as permanent semi-invalids. "This," says Dr. Oille, "is quite unnecessary and possibly harmful." His general rule for angina is, "any exercise that does not induce an attack."

As for the fully recovered coronary thrombosis case, he is, says Oille, just as good as he was before the attack. "This disease," the doctor explains, "is something like a broken leg—something from which one recovers and is well and strong afterward."

"In a person who has recovered from coronary occlusion, exercise is perfectly safe. The only danger lies in the possibility of a new attack. A new attack is always the result of new coronary disease. New coronary disease is in no way the result of exercise . . . It doesn't cause it, and may tend to prevent it."

Of course, Dr. Oille is quick to add that if you are one of those who try the same things at 60 as you did at 30 you invite trouble. But this, he says: If you die of it, you are dying as much from a lack of ordinary common sense as from a physical weakness. The chap who falls dead on a golf course is not a horrible example of the folly of exercise for those of middle or later years. He would have been equally dead, in all probability, had he been resting quietly in his bed. Your old heart, take it from Dr. Oille, given reasonable work to do, will turn in a continuing performance that will put the best man-made machine to shame.

Mexico is Not Far

When the average Canadian thinks of Latin America, it is usually one of the distant South American countries he has particularly in mind. He is inclined to overlook the one closest at hand—big, friendly and newly thriving Mexico.

Few of us realize just how near we are to Mexico. We need to hear more from men like C. D. Devlin. As general manager of Confederation Life, he has been making business trips to Mexico for many years.

Many of those who heard him speak at Niagara Falls last week were probably amazed to learn that they could travel to Mexico as quickly and in some cases more comfortably than to many places in Canada. Said Mr. Devlin:

"Mexico in travel time, whether by rail or by air, is as close as British Columbia. You can travel by plane to Mexico in approximately the same time as one takes to fly to Vancouver. If you should choose to travel by rail the time is also about the same.

"All main highways are paved. You can travel to Mexico City and for miles beyond and never be off a paved road. Mexico uses the most modern road making machinery money can buy—nothing is too good. The mountain grades, curves and banking are well done. The engineering problems have been skilfully handled by Mexican engineers and the roads have been built by Mexican labor."

Mr. Devlin pointed out that there were plenty of things in Mexico besides modern roads, planes and trains. He emphasized this ease of travel, however, in the hope that more Canadian business men would be tempted to make the trip and see the country and its opportunities for themselves. And that, incidentally, is not a bad way to start building up permanent trade.

Women Have Stake in Business, Too

A campaign is under way in the United States to make women more familiar with the ways of business and finance, to impress them with their stake in the "preservation of the free enterprise system." Behind the drive is the newly organized Federation of Women Shareholders in American Business.

There is room for similar development in this country. Many of the largest shareholders in Canadian business are women and there are scores of companies being directed by the widows of the men who founded them.

Some of the aims of this new organization in the United States are for the general good of all shareholders, regardless of sex; others are specially designed to increase business interest and participation of women. Basic planks have been announced as follows:

1. An attempt to have large corporations simplify their statements to stockholders and to issue letters of advice more frequently than in the annual report required by law.
2. A campaign to have more companies institute a series of regional meetings of stockholders to permit attendance of the vast army of housewife stockholders throughout the land.
3. Encouragement of the study of economics as a compulsory course for women in secondary schools and colleges.
4. Wider representation of women on the boards of basic industries.

If an accurate survey could be made, undoubtedly it would reveal that women are by long odds the largest purchasers of all our consumer goods. Their more active participation and interest in the business and industry that produces those goods cannot help but be beneficial.

Post Scripts

To Australia

Off to Australia this week is 59-year-old Kenneth A. Greene, O.B.E., Canada's newest High Commissioner. Along with him will be Mrs. Greene and daughter Patricia. Mrs. Greene by the way, is a Guthrie from Guelph, daughter of the late Rev. Donald Guthrie.

High Commissioner Greene has his roots very deep around his home town of Ottawa. The Greene forbears settled in and around Carleton County on grants of government land, after the war of 1812. A Greene great-grandfather left heavily encumbered estates in Ireland to locate in Canada. Though he returned home himself, he left his 17-year-old boy on this side. His son was G. B. Greene, father to the new High Commissioner. At 24 years of age, "G. B." became chief executive for the Upper Ottawa Improvement Co.—the firm responsible for moving timber and logs down the upper Ottawa. He held this position for 35 years until his death.

MR. GREENE

When young Greene had finished his schooling around Ottawa, his father gave him a temporary job replacing the paymaster who was ill. The paymaster died, so 19-year-old Ken, despite his father's protests that there was no future in the position, settled into the job because he liked it. For eight years he carried a black leather bag up and down the 150-mile stretch of river where his father's men were employed, doling out the week's wages. The bag was as well known as he was, and though it contained often as much as $25,000 in bills and currency, he was never once molested.

The First Great War broke out and Greene enlisted as a lieutenant. He went overseas with the 38th battalion, stayed with it, and came home a captain. By that time the paymaster job didn't look so attractive so he set up in the insurance business with another prominent Ottawan — I. P. Robertson. The firm is still flourishing.

Meanwhile, Ken Greene became the Ottawa representative of some British firms. Most important of these connections was the Federation of British Industries.

One further position which Ken Greene held before his recent appointment, was the presidency of Ottawa's famed Rideau Club. Last week his fellow members paid warm tribute to their former president. In a witty verbal bouquet, president-elect Duncan MacTavish revealed the little-known fact that Greene, along with Fred Bronson and other distinguished Ottawans, had attended the Ottawa Ladies College in its earlier and co-educational days. Mr. Greene responded by pointing out that it was not the attendance of Fred Bronson and himself that had caused the college to hang out the sign "Ladies Only."

• • •

New Hart House Warden

It's a safe bet that, when Nicholas Ignatieff takes over as warden of University of Toronto's Hart House on July 1 from J. Burgon Bickersteth, he will do more than attend to the institution already built up for him.

He wasn't content, for example, merely to plug away at history and mathematics while a master at Upper Canada College before the war. He had a natural feeling for the frontier, and he wished his students to share it. That was why, three years in succession, he led parties of students on 200-mile horseback trips through northern British Columbia.

MR. IGNATIEFF

Russian born, but mainly educated in England, Ignatieff joined the Canadian Engineers when war broke out, but served largely with military intelligence. He came home a major and accepted a position with the permanent force. Here as a lieutenant-colonel he was in charge of one of the branches of military intelligence until he accepted this Hart House post.

Nicholas Ignatieff sees more to his new job than a peak winter staff of 200 to be supervised, 5,000 daily meals to be served, varied activities to be looked after for roughly 10,000 male students. Encompassing all forms of campus activity outside of academic work, he thinks Hart House can stimulate interest in Canada's wider horizons.

Considerably over six feet, Ignatieff doesn't look his 43 years. His hair is already receding, but the effect of this is more than off-set by the healthy glow of his face. His calm, deliberate manner of speech is flecked with enthusiasm as he warms up to a subject. He's married, has a seven-year-old son.

Actually, Ignatieff is an engineer. His schooling, begun in Russia where his tutors and English governesses emphasized languages, was interrupted at 15. That was in 1919 when his father, Count Ignatieff, minister of education under the last Tsarist regime, brought his family out of red Russia. His education in Britain ended with an engineering degree from King's College, University of London.

Young Ignatieff had been to Canada briefly in 1924, and, after graduation the next year, decided to settle here. A couple of years he was out with survey parties for the Ontario Hydro Commission, then to the Peace River and the West for years in railway construction, mining, and power development. He came back to the Ontario Hydro Commission in 1930 to spend two years on various power development projects. The next two years he spent travelling, occasionally hitch-hiking through all parts of Canada except the Maritimes. He studied colonization and land settlement, spoke and wrote extensively on the assimilation of new Canadians.

In 1934 the late Principal W. L. Grant of Upper Canada College offered him a master's post. The summer treks for students, as well as shorter Christmas trips to the mining areas, were of Ignatieff's conception, though they dovetailed into the principal's aim of giving his scholars a slant on the bigger Canada and its needs.

Ignatieff's return to accademic life will reveal a similar aim. He believes there's much work to be done in this country, and Hart House will bring him in touch with some of the fellows who must do it.

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The Olivers

British Columbians have a special interest in the new Liberal leader in Ontario, Farquhar Oliver. For nearly a decade his uncle "Honest John" Oliver was their premier. When the nephew was first elected to the Ontario Legislature at the age of 22 the uncle shook his head and remarked "Farquhar is too young to be in politics." The following sketch of the Olivers comes from the pen of James Morton in the Vancouver News-Herald:

MR. OLIVER

John Oliver had a speed of intellect that far outran the promise of his sturdy and heavy physique. With little education and often careless pronunciation, he achieved command of a vocabulary of which many a better educated man need not have been ashamed.

John's bluntness and fearlessness were almost proverbial. He told a delegation from municipal governments who called on the province for relief, in the depression following the first world war: "What you fellows want is to doff the broadcloth and put on the overalls."

He showed the same stubbornness in relation to smaller things. If he chose to wear a straw hat when he went over to Vancouver to meet President Harding, he would wear one and that was all.

There have been three Olivers in Canadian politics. Frank Oliver of Edmonton distinguished himself in the federal field. He was a native Canadian, and no relation whatever to the family of Robert Oliver, the English workingman, who migrated to Canada in 1870. The family settled first in Ontario, where the elder Oliver died about 25 years ago. With the exception of John the rest of the family remained there, and this accounts for the eruption of the latest Oliver into the political life of Ontario.

Whatever the future of Farquhar Oliver may be, at the age of 43, as leader of an important party in Canada's biggest province, he has still a good start over his famous old uncle. Elected in 1926 at the age of 22, he has held his constituency of South Grey consistently ever since.

• • •

Heads Trusts Association

For their new president, members of the Trust Companies Association of Ontario have elected an all-round citizen. He is John Wellington Scott, of the Waterloo Trust and Savings Co., at Kitchener. Few people in that highly developed area of Ontario in and around Kitchener, have as many friends as genial Jack Scott.

MR. SCOTT

Born and educated in nearby Galt, Scott at 16 joined the old Merchants Bank (later Bank of Montreal) back in 1912. For the next 10 years he served in various capacities and in most of the larger centres of south-western Ontario. In 1922 he left the bank to organize a trusts and estates department of Waterloo Trust and Savings. He has been manager of that branch of the business ever since and in addition assistant general manager of the company since 1937.

Balancing his active business life has been an equally active one outside. Scott is a leading figure in local baseball circles. In his earlier years he used to play for Galt and was president of the Inter-County Baseball Association in 1928 and 1929 and of the Ontario Baseball Association exactly ten years later. In addition he is rated as more than a fair golfer, an enthusiastic fisherman and an experienced gardener. He is vice-president of the Kitchener Red Cross and for years has been an elder or on the board of managers of St. Andrew's Church.

Married in 1923 to Miss D. Annie Dickson of Galt, Scott has two children, Eileen 22 and Douglas 18.

• • •

Builder With Steel

Thirty years of building with steel brought George Edward Treloar last week to presidency of the Canadian Institute of Steel Construction, 22-year-old national organization of 95% of Canada's steel construction companies (5 mills, 25 fabricators).

Born in Toronto 54 years ago, Treloar is chief engineer of Sarnia Bridge Co.; president and manager of T. Tomlinson Foundry Co. University of Toronto (1914) graduate in civil engineering, he took his master's degree the following year, spent a year with the Fetherstonhaugh & Co. patent office, then 10 years as estimator and designer with Dominion Bridge, followed by 8 years in private practice as a consultant designing, among other building, the Corrugated Paper Box plant at Leaside, and plants for Regal Bakeries and Smith Bros. Body Co. in Toronto.

MR. TRELOAR

Memberships include Engineering Institute of Canada, Ontario Association of Professional Engineers, Engineers' Club of Toronto (president 1944), St. Andrew's Lodge AF&AM, Rosedale Golf Club. Hobbies are golf and bridge. One daughter, 23, recently graduated as a nurse at Toronto General Hospital; another, 18, is at Havergal College, Toronto.

—Cartoon by Grassick.

ALL RIGHT 'TILL SEPTEMBER

Stop Me If—

"Bobby," said the teacher sternly, "you know that you have broken the Eighth Commandment by stealing John's apple?"

"Well, miss," replied the unrepentant boy, "I thought I might just as well break the Eighth and have the apple as break the Tenth and only covet it."

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Filling Station Attendant: "John, your doctor just pulled up with a flat tire."

John: "Swell! Diagnose the trouble as puncture wounds resulting in prolapsus of the perimeter. Prescribe plastic surgery followed by the administration of violent flatulents, and charge him accordingly. That's what he's been doing to me!"

• • •

"My dear, I never imagined you would marry the man you did," said Gladys.

"Neither did I," replied her friend. "I disliked his ways but I adored his means."

What Others Are Saying

Editorial of the Week

Why the Market Is Dull

Ottawa Journal

Stock prices these days don't depend on current domestic prices. They depend on world conditions. A corporation, right now, may be making handsome profits, paying fair dividends. But a shrewd investor, or even a cautious speculator, is not going to reach for the securities of that corporation unless he is reasonably certain that it will go on making profits. With the world what it is today, there is no such reasonable certainty. Hence a dull market.

Of course there are people who still think and talk in terms of the old stock market jargon; those who tell you that such-and-such a stock should "soon have a run." They are living in a world which ended in the 1930's.

The future of the stock market, the matter of whether it goes up or down, is not going to be determined by what is happening in Canada for some months to come; it will be determined by what happens in Canada next year or the year after that because of what happens to the world. If peace should come in Europe, and existing unrest be replaced by progress toward recovery, then everything in Canada, including the stock market, will be on the up. If otherwise, with Europe sinking farther and farther into trouble, then the stock market in Canada will not be on the up.

There are those who will say that what we have written shows "lack of confidence." It is not a question of confidence or of lack of confidence; it is a question of common sense.

Other People's Views

STRIKES WILL CONTINUE, believe the **Ottawa Journal**, "until people on both sides of them come to see their folly and futility—come to realize that there is only so much wealth in the country to be shared, and that the thing needed is for men to be sensible on how it should be shared."

MAKE IT A REAL CLEAN UP urges the **Globe** (Lacombe, Alta.). "Smart, carefully groomed homes, gardens and lawns are one of the biggest factors in influencing the travelling public's opinion of any town or district. Attention to lawns and grounds, a little paint to houses, garages and outbuildings, well-trimmed flower beds: all these small details add up to smart appearance."

POLITICS WERE IGNORED in the appointment of C. H. Locke of Vancouver to the Supreme Court, points out the **Montreal Gazette**, as well as the old rule of confining such selections to the upper levels of the judiciary. "It is a noteworthy and refreshing change to find the present Minister of Justice, Rt. Hon. J. L. Ilsley, willing to ignore the demands of judicial seniority, political debts and the party satraps. It is to be hoped that he will be equally flexible in his selections in future."

LESS INSTEAD OF MORE TAXES should be the objective of the municipal authorities, states the **Windsor Star**, which is very disappointed over the news that the Ontario mayors and reeves at their recent convention spent a good deal of time in exploring new sources of revenue. "As all taxation comes out of the pockets of the people, it means that new schemes are being hatched to take more cash out of the pockets. What the mayors and reeves ought to be trying to do is to discover ways to lower taxation."

WEAKNESS IN OUR PRESENT RADIO system, points out the **Winnipeg Free Press**, "is to be found in the control exercised by one competitor over others. It is as if the National Railways, being a publicly-owned railway, were given control over the Canadian Pacific and thus enabled to dictate the policies of its competitor. The reform which has been sought by the private broadcasting stations is that this power of regulation and control be taken away from the CBC and vested in a government regulatory commission after the pattern of the Transport Commission or the Aeronautics Board. All broadcasting, whether by the CBC or the private stations, would then be subject to independent, third party supervision. And the actual business of broadcasting would be truly competitive."

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The Provincial Roundup

British Columbia

Big Halibut Haul

The province's biggest and shortest halibut season (The Financial Post, May 10) closed this week, with the 24-million pound catch completed in 39 days, three days shorter than last year. With the American fishing fleet tied up by a labor dispute, bulk of the haul went to British Columbia vessels (of record number this year); most of the balance to Alaskan craft. Many B. C. fishermen this week headed northward to Alaskan waters, where the season extends later. Removal of controls (The Financial Post, May 17) promised wider markets and better prices.

Equalize School Costs: The province hopes to equalize educational tax burdens as between urban and rural municipalities, Finance Minister Herbert Anscomb pledged, announcing plans for early establishment of an equalization assessment board. (Rural taxpayers on Vancouver Island had threatened a strike against "excessive" levies; see page 32.) Anscomb estimated the Provincial Government's expenditure on education this year at $10,225,000.

Big School Program: Greater Victoria launched a $3,913,825, five-year school-building program, to serve Victoria, Oak Bay, Saanich and Esquimalt (total population 100,000); four new junior high schools; one new high school, with major additions to two others; a complete technical school unit; two new elementary schools, and one primary. The province was to pay half the cost, with the balance divided: Victoria, $1,199,706; Oak Bay, $308,587; Saanich, $316,327; Esquimalt, $101,681; rural districts, $30,610.

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Alberta

Social Credit Showdown

Attorney-General Lucien Maynard and his deputy, J. H. Wilson, were on the high seas this week, en route to London for what might prove Social Credit's final test. Before the Judicial Committee of the British Privy Council, court of last resort in the Empire, they planned to appeal from the decision of the Alberta Supreme Court, invalidating the province's "Bill of Rights," 1946 (The Financial Post, Dec. 21, 1946). George H. Steer of Edmonton and T. Maundel, of the Federal Department of Justice, were to appear on behalf of the Dominion Government; J. Chambers of Calgary, on behalf of the Canadian Bankers' Association.

CCFers Expelled: The CCF's disciplinary whip cracked, and members of the "CCF Action Club" in Calgary found themselves on the outside looking in. After a meeting of the party's Alberta board, Elmer Roper, provincial leader, announced that Ald. P. N. R. Morrison, Ald. Don McIntosh "and others who participated in an unauthorized constituency organization in Calgary, no longer are members of the CCF." Replied Morrison: "The board meeting was mere window dressing—the whole procedure was a farce. I warned the board that we wanted no part of the CCF unless it lived up to its program and constitution." Earlier this year, Morrison had spearheaded a drive to oust J. E. Cook of Calmar from the provincial presidency, on grounds that he was "sabotaging" the party movement.

"Don't Fence Us In": Hutterites of the province planned to challenge the validity of legislation restricting expansion of their colonies; said an appeal would be taken either to the Supreme Court of Alberta, or to federal authorities at Ottawa. Legislation enacted in March, limited Hutterite colonies to 6,400 acres each, and required them to be at least 40 miles apart (The Financial Post, April 5).

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Saskatchewan

A La Saskatchewan

Saskatchewan, claiming the title of "the bread basket of Canada," was now seeking a distinctive provincial dish, as Alberta (The Financial Post, Feb. 22) and Ontario had already done. Prizes totalling over $100 were offered for entries to be judged on the following basis: Typical of Saskatchewan, 40 points; year-round availability of ingredients, 10; palatability, 15; nutritive value, 15; suitability for commercial serving, 10; "eye appeal," 5; originality, 5.

Black Flies on Wing: Black fly time was again on the way, and farmers gazed apprehensively at rising rivers, as they recalled $100,000 losses to livestock last year. The tiny larvae, found along rocky portions of river banks, sprout wings in early June; are swept by the wind to farmyards where they attack cattle, usually causing death in 24 hours. Thus far, no adequate protection has been found.

Enlarge Saskatoon Airport: While Saskatoon dickered with federal authorities on the question of resuming control of its airport, work was under way here to make the field one of the largest in western Canada, with two 6,400-ft. runways. The Dominion is seeking to restore local control and administration of municipal airports, which it now rents at $1 a year (The Financial Post, April 26).

Coyotes Multiplying: After a severe winter, with deep snow, which handicapped hunters, the province foresaw a big coyote population this year. Already one farmer reported taking a litter of 14 pups from a den, and others of 12 and 10 were recorded (normal litters run from six to nine pups). Hunters say that in order merely to break even, and to keep the prairie wolf population from increasing, 70% of all new litters must be destroyed. Bounties of $5 a head, which became effective May 1, were expected to prove an incentive.

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Manitoba

Share Highway Cost?

The province looked to Ottawa for aid in scotching secession trends in the Flin Flon area. Main cause of the unrest was continued nonconstruction of a highway from The Pas to FlinFlon; estimated cost $1,340,000. Contending that the federal treasury is the main beneficiary from mining operations there, the province urged the Dominion to assume a substantial share of the highway cost. Since 1941, Manitoba said, Ottawa has received some $27 millions in corporation taxes and excess profits taxes from the Hudson Bay Mining & Smelting Co.

Muskrat Crop Down: Adverse weather threatened to curb the province's $1 million muskrat crop of the last two years, by at least 30% this year. Rats were reported still plentiful, but deep snow and cold weather made it difficult for trappers to reach them. Lower prices were also in prospect; some sources suggested the Government might have to dip into a reserve fund of $247,700, built up in good years, to pay the guaranteed minimum of $25 monthly to 1,200 licensed trappers.

'Peg Foresees Deficit: Despite a balanced budget approved April 2, City Treasurer W. B. Brown foresaw a 1947 deficit of $100,000 or more for Winnipeg, due to unforeseen expenditures. Snow removal from city streets accounted for nearly half the overdraft; unemployment relief added $17,000, with the balance divided into smaller items.

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Ontario

MPPs Rained Out

The legislature session, scheduled to resume this week, was rained out. To enable farmer members to catch up on overdue seeding, the Government set the date for resumption of the session back indefinitely; hinted it might be later this month, or might not be until autumn. Meanwhile, Farquhar Oliver, newly chosen Liberal leader, chafed at the bit, awaiting an opportunity "to rout the last remnants of the forces of Toryism"; charged that Premier George Drew "keeps hammering the Communists on the head, but does nothing to remove the grievances which are responsible for Communism."

Air-borne Invasion: An air-borne invasion of American anglers threatens depletion of the province's fish, C. A. Walkinshaw, former president of Toronto Anglers' and Hunters' Association, warned: "There are 85,000 private aircraft in the United States, 100,000 people learning to fly; the area from James Bay to Nipigon is already crowded with Americans who came by air." Bass and 'lunge are already showing declines, he added; called for "a definite program of propagation and conservation"; also for encouragement of sales of handicraft work to tourists: "There should be a rational balance between the things we have for sale and those taken out of the country."

Highway Funds "Looted"? Practically every Provincial Government in Canada "is looting highway funds," T. J. Mahoney, secretary-treasurer of the Good Roads Association, charged; said Ontario's Highway Improvement Fund should show a balance of $90 millions instead of a $350 millions deficit, if revenues from gasoline taxes and vehicle permits had not been diverted to other purposes.

CLIFFORD W. HALE

has been appointed sales promotion manager of Canadian Breweries Ltd.

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Quebec

Huntingdon to Vote

Voters of Huntingdon County were to go to the polls July 23 to elect a successor to the late Dennis J. O'Connor, Liberal. Still unset was a date for the Montreal-St. Louis vote necessitated by the resignation of Maurice Hartt, Liberal (victor in the federal Montreal-Cartier by-election last March). Present standing in the 91-seat assembly: Union Nationale 51; Liberals 33; Bloc Populaire 3; Independent 2; vacant 2.

Conservatives Convene: The accent was to be on youth, as Progressive Conservatives of the province convened in Montreal this week (June 13 and 14). Emphasizing the increasingly important role to be played and the responsibilities to be borne by the rising generation, a special gathering of Young Progressive Conservatives was to be held; speakers to include John Bracken, federal leader; Ivan Sabourin, Quebec leader; J. M. Macdonnell, national president.

Plan "Boys' Town": The province, in co-operation with the Junior Chamber of Commerce and private citizens, planned Canada's first "boys' town" for juvenile delinquents. Youths 13 to 18, appearing in juvenile court, would be sent to a settlement on the site of the present boys' camp at Boscoville, in northern Montreal; would operate it on a community basis, electing their own mayor and other leaders, in order to develop a sense of responsibility. Cast for the role of Canada's Father Flanagan (founder of the widely known "boys' town" at Omaha, Nebraska) was Rev. Albert Roger of the Holy Cross Congregation, who has operated the Boscoville camp since 1940. The province would finance the project; administration would be supervised by the Junior Chamber of Commerce.

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New Brunswick

Reconstruct Wharves

Tenders will be called in August, Fisheries Minister Hedley Francis Gregory Bridges announced, for reconstruction of the McLeod and Pettingill wharves on the east side of Saint John's harbor; work, estimated to cost over $2 millions, to start next spring. The project will provide two large, modern-type berths, with minimum depth of 35 feet at low tide; wharves and sheds to be of fireproof construction, and shed space at least treble the present facilities.

Revive Summer School: A casualty during war years, the province's summer schools for teachers were to be revived at Saint John this summer (July 7-Aug. 8), "to meet the normal needs of teacher growth, and to recover the loss incurred during war years." Said Education Minister C. H. Blakeny: "It is recognized today that teachers have a right to continue to build academic and professional scholarship, if they are to give the service which a vigorous democracy will require of them." (Nova Scotia planned similar courses, July 3-Aug. 13.)

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Nova Scotia

Stem Exodus to U. S.

Canada's future will be what Canadians make it, Nova Scotia-born assistant managing editor of The New York Times told the convocation of St. Francis Xavier University, bidding Canadian business stem the exodus of Canadian youth to the United States. He advanced three main reasons why, since Confederation, more than four million Canadians have migrated southward:

1. In the United States the accent is still on youth.

2. Americans are willing to pay well for intelligence in most fields of human activity.

3. The United States offers unparalleled opportunities for workers in the creative arts.

Big Road Program: The Government planned to press every available piece of equipment owned by private contractors, as well as its own machinery, into service in the greatest road-building program in the provinces' history: 770 miles of construction or renovation, of which 570 would be on county roads. Even this, Premier Angus Macdonald admitted, would not meet all demands; would merely be the foundation for a program extending over several years.

New Research Laboratory: Halifax hailed announcement of the National Research Council's intention to establish a regional laboratory on the campus of Dalhousie University, its operations to be closely integrated with scientific activities of the university and of the Nova Scotia Research Foundation. Preliminary planning was to begin at once, with construction scheduled for 1948.

P. E. Island

Weather Hits Farmers

Cold weather and excessive rainfall continued to hamper farm operations in the province. In many locations new seeding was necessary when seeds were washed to the surface by the heavy rains. In the eastern areas potato planting was abnormally late, with not more than 30% of the crop in the ground. Grain seeding was further delayed. However, if weather conditions improved at once, farmers believed they could expect a successful growing season.

Expand Power Plant: Construction work on the annex to the main plant of Charlottetown's Maritime Electric Co. was under way, with pouring of cement for the foundation of the new turbine generator practically completed. The generator, on its way from England, should arrive by June 25. When installed, it was expected to end the city's drastic power shortage.

BUSINESS THIS WEEK

	MAY	APR.	MAR.	FEB.	Year Ago
GOVERNMENT FINANCE (millions of $)					
Dom. total revenue	....	177.8	....	....	156.2
Dom. total expend.	....	135.7	....	....	129.9
MERCHANDISING					
Dept. store sales index no. (1)	....	232.8	239.8	189.7	212.3
■Retail sales index (no.)	....	224.5	223.1	183.3	212.0
Country store index (no.)	....	193.5	178.6	151.1	187.3
Wholesale sales index (no.)	....	....	256.5	221.7	234.0
FINANCE					
Dividend payment index (5)	160.9	159.1	156.7	155.5	139.9
Bank debits	....	....	236.9	229.4	224.6
Money supply (millions $)	....	....	7,503	7,555	7,064
NEWSPRINT CAPACITY					
Production ratio	....	101.0	101.8	101.0	93.8
Shipment ratio	....	102.8	102.1	94.7	96.7
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.)	....	189.6	190.7	134.2	197.6
Cars (D.B.S. index)	....	158.5	151.9	130.9	148.9
COST OF LIVING					
■D.B.S. index	133.1	130.6	128.9	127.8	122.0
EMPLOYMENT INDEX					
■All industries	....	180.7	180.4	180.7	168.9
■Manufacturing	....	195.3	194.5	193.9	184.9
■Payrolls (June 1/41=100) (2)	....	163.9	163.2	160.7	139.5

RAILWAYS—(000's omitted)	1947	1946	1947 Jan. 1 to date	1946 Jan. 1 to date	% Change
■Carloadings (week May 31)	81.2	66.3	1,553.9	1,452.4	+7.9
■C.P.R. gross rev. (May 31)	8,993	7,468	124,371	116,298	+6.9
C.N.R. net rev. (Apr.)	3,777	4,385	9,255	11,762	—21.3
C.N.R. gross rev. (Apr.)	36,019	31,411	136,295	123,770	+10.1
C.P.R. gross rev. (Apr.)	26,247	22,548	97,593	93,709	+4.0
C.P.R. net rev. (Apr.)	1,735	1,203	3,010	5,480	—45.1
IRON AND STEEL (000's omitted) (Apr.)					
■Pig iron production (tons)	160.7	142.2	653.1	587.0	+11.3
■Steel production (tons)	252.2	247.5	1,000.9	975.2	+2.6
CONSTRUCTION (000's omitted)					
Contracts awarded (Feb.)	53,452	33,092	98,162	60,487	+62.3
Building permits (Feb.)	17,596	16,572	34,238	31,859	+7.4
Cement prod., bbls. (Mar.)	883.1	704.4	2,462.1	2,091.7	+17.7
AGRICULTURE (000's omitted)					
Flour prod., bbls., (Apr.)	2,399	2,217	9,443	8,996	+4.9
Flour exp., bbls. (Mar.)	1,356	1,042	3,966	3,317	+19.6
Wheat exp., bush. (Mar.)	7,983	15,385	30,282	40,481	—25.2
Cattle sales (Apr.) (4)	104.5	112.3	411.0	515.7	—20.3
Hog sales (Apr.) (4)	396.6	397.8	1,446.9	1,718.8	—15.8
SEA FISHERIES (000's omitted)					
Catch, lb. (Apr.)	27,483	34,111	172,877	160,747	+7.5
Landed value (Apr.) $	1,798	2,206	5,680	6,564	—13.8
NEWSPRINT (000's omitted)					
Production (Apr.)	369	338	1,453	1,309	+11.0
Exports, tons (Apr.)	376	348	1,414	1,270	+11.4
MINING AND OILS (000's omitted)					
Coal prod., tons (Mar.)	954	1,588	2,693	5,037	—46.6
Gold prod., (fine oz.) (Mar.)	263	248	719	715	+0.5
Petroleum prod. (brl.) (Mar.)	602	664	1,734	1,954	—11.1
ELECTRICAL POWER OUTPUT (000,000 omitted) (Apr.)					
■Total monthly kw.h.	3,727	3,506	15,180	13,655	+11.2
FOREIGN TRADE (millions of $)					
Imports (Mar.)	208.9	139.9	559.8	397.3	+40.9
Exports (Apr.)	190.9	178.5	788.0	699.1	+12.7
FINANCE (millions of $)					
Bank debits (Apr.)	6,043	5,755	23,593	22,759	+4.0
■Bond sales (May)	190.6	271.1	2,331.4	2,442.0	—4.5
Life insurance sales (Mar.)	104.1	102.7	305.7	268.5	+13.9
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
Shoe prod., pr. (Mar.)	3.5	4.0	9.9	10.9	—9.1
Cigarette cons. (no.) (Apr.)	1,178	1,049	4,848	4,612	+5.1

(1) Base period 1935-39=100.
(2) All industries.
■New items for week.
(4) Total at yards and plants.
(5) Nesbitt, Thomson, etc.
(6) d—deficit.

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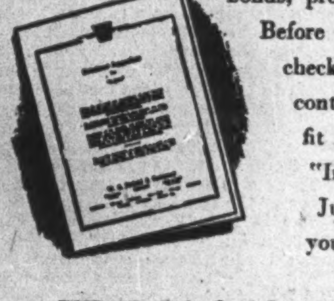

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Last year medical science saved the lives of thousands of cancer patients, and many more might have been saved if cancer had been discovered early. While specialists say that the best means known for treating cancer is complete removal by surgery, or destruction by x-rays or radium rays, experiments with other methods are constantly going forward.

Chances of cure are best when cancer is treated in the early stages. To detect early cases, there are 3 things everyone should know!

1 What are the "Danger Signals" that may mean Cancer?

1. Any unusual lump or thickening, especially in the breast. 2. Any unexplained bleeding. 3. A sore that does not heal, particularly about the mouth, tongue, or lips. 4. Noticeable changes in the color or size of a mole or wart. 5. Loss of appetite or continued unexplained indigestion. 6. Any persistent changes in elimination.

2 What should you do when warnings appear?

Get medical advice at once! Remember the "danger signals" show that something is wrong, *but they are not sure signs of cancer.* At one leading clinic nearly 9 out of every 10 women who came for examination because they recognized the warnings and suspected cancer, *did not have the disease!*

3 Why are annual physical checkups important?

Cancer often starts without any warning signals that the patient can detect. Only examination by a skilled physician may discover these "silent" cancers in their early stages. That is why annual medical examinations are so important, especially for older people.

There is progress in cancer research, too!

Today, more and more people are living to older ages when cancer is most prevalent. Cancer still ranks second among the causes of death, but medical science is continually increasing its knowledge of the disease, and working to develop new and better techniques for its control.

Many promising experiments are being carried on. Atomic research has provided valuable new materials for laboratory study of cancer cells. Clinical research and intensive studies in chemistry, biology, and physics also give real hope that the secrets of cancer will be discovered.

To help protect yourself from cancer and to learn more about the disease, send for Metropolitan's free booklet, 67-y, "There Is Something YOU Can Do About Cancer."

Metropolitan Life Insurance Company
(A MUTUAL COMPANY)
New York
Frederick H. Ecker, CHAIRMAN OF THE BOARD — *Leroy A. Lincoln,* PRESIDENT
Canadian Head Office: Ottawa

TO EMPLOYERS. Your employees will benefit from understanding these important facts about cancer. Metropolitan will gladly send you enlarged copies of this advertisement — suitable for use on your bulletin boards. Address your request to the Canadian Head Office, Ottawa.

Editorial Background... ...that makes sales!

THE Family Herald and Weekly Star publishes about 56 short stories for adults yearly, and about 80 for children — 4 serials of approximately 50,000 words each and about 30 non-agricultural general feature articles. (The fiction in one year alone would be the equivalent of eight full-length novels!)

THIS is only one item in an all-over editorial coverage which includes as its mainstay, by far the largest volume of technical farm articles appearing anywhere in Canada . . . All of which gives the Family Herald a lasting reading interest that reaches deep into the hearts and homes of more than 350,000 Canadian farm families.

Another reason for the extraordinary long life and pulling power of Family Herald advertisements.

Family Herald and Weekly Star
CANADA'S NATIONAL FARM MAGAZINE
MONTREAL CANADA
"Aimed at the Heart of the Farm Home"

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CANADIAN FREIGHT SERVICES
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PANAMA — CURAÇAO
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*occasional calls
Loading MONTREAL
M/S "Benny" June 27/July 2 for La Guaira, Venezuela; Curacao, N.W.I.; Maracaibo, Venezuela; Barranquilla, Colombia.
Loading SAINT JOHN
S.S. "Wentworth Park" June 19/21 for Port-au-Prince, Haiti.
S.S. "Bloomfield Park" June 23/25 for Ciudad Trujillo, Dominican Republic; Port of Spain, Trinidad.
Sailings from Montreal (summer months), Saint John and Halifax (year round).
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REGCOURT GOLD MINES has received payment on June 1 installment on 75,000 shares at 50 cents.

DISCOVERY YELLOWKNIFE MINES has received payment on 50,000 shares at 70 cents with balance extended to July 15.

MONTREAL-BRITAIN
BY B·O·A·C SPEEDBIRD
AUSTRALIA · NEW ZEALAND · BERMUDA · MIDDLE EAST · SOUTH AFRICA · WEST AFRICA · INDIA · FAR EAST · ENGLAND · SCOTLAND · IRELAND · CANADA · UNITED STATES
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—TUESDAY . . TO LONDON VIA GLASGOW
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SPEEDBIRD SERVICE · OVER THE ATLANTIC · AND ACROSS THE WORLD

CMA Warned Tariff Cuts By U.S. Are Doubtful

Members of the Canadian Manufacturers' Association, attending the annual convention in Banff last week, were warned bluntly by R. N. McCormick, manager of the association's tariff department, that "indications already show that the U. S., which must provide the keystone of the arch, does not appear to be prepared to assume the responsibility for opening its own market substantially to the products of other nations."

Mr. McCormick, who attended the conference as a member of the advisory Canadian trade committee, gave his warning in a review of the London and Geneva talks preparatory to the International Trade Organization conference continuing in Geneva.

Excerpts from Mr. McCormick's report follow:

The Canadian delegation, in London, together with the C.M.A. representatives, accomplished considerable missionary work among the other Empire delegates in regard to the necessity for correction of U. S. customs' malpractices before tariff concessions offered by them could be properly evaluated. They took the lead in exposing the manner in which apparent tariff concessions granted by the U. S. could be subsequently nullified by operation of non-tariff barriers of various descriptions imposed by the customs officials of that country at the individual ports of entry. (The Financial Post April 26.)

It was in Geneva that we learned of a United Kingdom plan to abandon preferential tariff margins by the simple expedient of raising British preferential rates to the level of most-favored-nation rates on certain specified commodities. Such a move, it was understood, would be made only if the U. S. made very substantial tariff concessions to the United Kingdom. This was a most disturbing proposal as it would wipe out the preferential position normally enjoyed by Canadian manufacturers in the United Kingdom and would place them, tariff-wise, on a completely equal basis with the U. S.

GORDON C. LINDSAY

assistant general manager of Toronto General Trusts Corp., has been appointed a director of the National Sanitarium Association.

The Canadian delegation in London had put up such a stiff fight that the United Kingdom had agreed to abandon it. Concerning the prospect of its revival at Geneva, we learned that the U. K. had two lines of defense: first, preferential and most-favored-nation rates would be bound at their present rates on the basis that the U. K. was already a low tariff country; second, reductions would be offered in most-favored-nation rates on certain specified products.

Failing agreement under either of these two approaches, and only under extreme pressure from the U. S., the United Kingdom might reconsider its London decision and adopt the drastic expediency of raising preferential rates. It was made clear that the U. S. offer, however, would necessarily involve very substantial concessions in both their tariffs and their administrative provisions. It would have to be an offer that would genuinely open wide the U. S. domestic market to British goods.

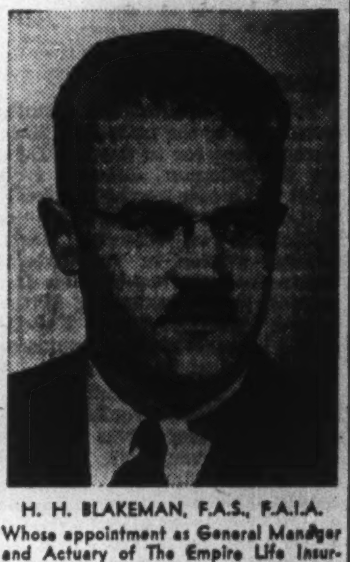
Another development that arose in Geneva pertained to certain articles in the proposed charter of the ITO. One of these involved the Empire content provisions in certain Canadian tariff items. Another involved the application of dumping duties. In each case we were given assurance that status quo would be preserved, except that the automatic feature of the dumping clause would be dropped. Arbitrary valuations for customs purposes, such as were widely applied in the pre-war depression, would also have to be abandoned.

Still another feature of the charter offered a most serious threat to the automotive industry in Canada, as it would not preclude importations into Canada of used cars. This problem was met by arranging a series of meetings with officials of the Canadian delegation in which the seriousness of the situation was made clear and constructive suggestions were advanced.

At one stage of the proceedings there was a distinct possibility that the negotiations at Geneva might collapse both from the standpoint of tariffs and the formation of a charter to govern the conduct of international trade. Our nonofficial Empire group, after considerable careful discussion of the situation, prepared a constructive suggestion for transmission to our respective delegates.

Our suggestion, in its preamble, took recognition of the necessity for finding some common ground of agreement, and pointed out that the charter in its present form was so loosely worded, and so honeycombed with escape clauses, that it was extremely unlikely that it would be acceptable as a set of principles for international trade. A counter-suggestion was made to which it was felt all nations could become signatory without binding themselves to articles or rules which were susceptible to such wide interpretation as those now contained in the charter.

EMPIRE LIFE
NEW APPOINTMENT



H. H. BLAKEMAN, F.A.S., F.A.I.A.
Whose appointment as General Manager and Actuary of The Empire Life Insurance Company is announced. Mr. Blakeman, who is a gold medallist of the University of Toronto, has occupied important positions in Life Insurance in both Canada and the United States since 1927, and for the past two years has been Assistant General Manager and Actuary at the Company's Head Office in Kingston.

COMPANY REPORTS

BRAZILIAN TRACTION, LIGHT & POWER CO highlights of 1946 annual report were:

Gross earnings from operation up 20.11% (11.67% in 1945) due to a combination of increased sales, increased tariffs for a full year and improved exchange rates.

Operating expenses up 33.67% following a 26.75% increase in 1945. This increase was entirely due to rising labor and material costs.

Ratio of operating expenses to gross earnings from operation was 60.16% (54.06%).

Capital expenditures total $34,069,204 ($19,439,456). The company has now commenced a five-year capital expenditure program to bring the facilities into line with demand and to put it in a position to maintain the efficiency of its services. Estimated cost is about $160 millions. The program is designed on a flexible basis. As and when it becomes feasible to arrange the financing of a part of this program by the issuance of funded obligations it is the intention of your directors to follow this course, President Henry Borden states. The budget for capital expenditure in 1947 is $40 millions.

There was an improvement in the value of the cruzeiro in terms of the dollar in 1946. Earlier in the year the "special free market" used for general remittances authorized by the Bank of Brazil was abolished and from then onwards these remittances were transacted on the "free market" where purchases had hitherto been limited to payments for import. The decree-law which abolished the "special free market" imposed certain restrictions on the repatriation of capital and remittances of interest dividend and profits but these were temporarily suspended in August, 1946 and the suspension is still in effect. Free market rate for the cruzeiro was 5.34c. at Dec. 31, 1946 (5.13c.)

Decree law 9411 of June 28, 1946 provided for a general increase in wages ranging from 20% to 28% for wages up to Cr. $1,000 a month and an increase of Cr. $200 a month on all wages above this figure, effective June 1, 1946. The new burden would amount to about $5,830,000 a year.

The commission set up to investigate rates found that a 6.2% increase in electricity, gas, telephone and water rates and an average of 3.55 centavos in tramway fares was justified and the company was authorized to charge this as from Jan. 1, 1947, by Presidential Decree.

The constitution of Brazil promulgated on Sept. 18, 1946 provides for an "obligatory and direct participation of the worker in the profits of the concern in the terms and form that the law may determine" and also for a "weekly remunerated day of rest, preferably on Sundays; and, the technical requirements of the concern permitting, on civil and religious holidays in accordance with local traditions."

It is expected legislation to implement these two provisions of the constitution will be enacted during 1947, Mr. Borden states. It is not possible to anticipate the principles on which participation of the workers in profits will be based but it is hoped that, whatever form it may take, participation will only become effective when profits are in excess of a return on capital which in the case of public utilities is specifically provided for under the constitution Mr. Borden points out.

The weekly remunerated day of rest is expected to entail an increase in the payroll of operating companies of about $6 millions a year. It is impossible to make any forecast as to the date it may become effective, Mr. Borden states.

Wage adjustments for merit and length of service granted are equivalent in a full year to an additional $1,810,000 increase in wages.

Electric power supply: Rate of load growth continued high. Increase in kw.h. generated were 4.28% for Rio system and 13.6% for Sao Paulo system. On the Rio system the load was carried with a small margin of generating capacity, although by drawing in excess of firm capacity on the water storage. The demand experienced on the Sao Paulo system was greater than the generating capacity of the plants and during the period a peak load could only be carried with subnormal voltage and frequency. As a result, new connections for heating load in Sao Paulo were prohibited. Work on the electrification of the Sorocabana Railway continued and some progress has been made on electrification of the former British-owned Sao Paulo Railway Co. now taken over by the Brazilian Government. Electrification of the latter is expected to be completed by June, 1948.

Hydro-electric development: An additional 18,000 k.w. went into service in August at the Lages plant while the "C" unit of 47,000 h.p. went into service February, 1947. An additional 47,000 h.p. unit is expected to be ready for service in 1949. An additional 65,000 h.p. unit was ordered early in 1946 for the Ilha dos Pombos generating plant. Erection of unit No. 4 of the Serra do Cubatao plant was 80% completed and added another 91,000 h.p. capacity. Two similar units have been ordered and expected to be operated early in 1948 or 1949 respectively.

Telephone service: 13,400 additional lines were installed during the year. The number of prospective subscribers awaiting connections continues to increase reaching 100,000 at the end of the year. Due to material shortages it is not expected that more than 20,000 lines can be added to the system in 1947 and another 60,000 lines in 1948. Certain rate increases were received.

Gas service: Combined gas output in the cities of Rio de Janeiro, Sao Paulo and Santos increased 9.14% despite difficulties of obtaining coal. Number of consumers increased by 3,638 or 2.04%.

Transportation: The decrease of 6.21% and the recorded total number of passengers carried was due primarily to the multiplication of the zones in the city of Rio de Janeiro in October, 1945, it is stated. The commission is still studying the proposed merger of the tramways and bus companies operating in the federal district. An agreement to sell the Sao Paulo system to a new national transportation company was concluded on Mar. 14, 1947. Under the terms of this agreement Brazilian will continue to operate the tramway for a maximum of 120 days from that date.

In spite of a year of general labor unrest, relations between the management and union leaders and the majority of employees remained cordial, Mr. Borden states.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Gross earn. from op.	$78,253,700	$66,150,899
Less: Oper. exp.	47,079,254	35,219,518
Deprec.	5,490,531	5,528,381
S.f. & other chgs.	925,256	764,118
Bond int.	1,464,359	1,455,845
Gen. amort. res.	1,000,000	1,000,000
Net rev. from subs.	22,294,300	21,183,037
Add: Other inc.	807,181	1,029,479
Net profit	23,101,481	22,212,516
Less: Pref. divds.	22,542	21,479
Com. divds.	13,421,218	12,706,603
Surplus for year	9,657,721	9,402,434
Earnings per Share and Dividend Record:		
Pref.: Earned	$5,872.26	$5,646.29
Paid	6.00	6.00
Com.: Earned	3.28	3.16
Paid	2.00	2.00

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	†1945
Cash & govt. bds.	$57,118,051	$69,969,846
Accts. rec.	11,480,764	8,659,257
Inventories	17,081,873	12,717,256
Total curr. assets	85,680,688	91,346,359
Misc. assets	1,583,160	1,633,388
Inv. in subsids.	32,660,061	32,101,166
Fixed: Prop.	358,074,300	327,314,912
Total assets	477,998,209	452,395,825
Total curr. liab.	38,115,999	32,140,471
Funded debt	20,709,705	21,790,230
Depreciation res.	108,431,679	104,771,762
Other reserves	73,714,660	66,324,917
Capital stock	179,751,630	179,751,630
Subs. shs. o/s	1,684,193	1,684,193
Surplus: Brazilian	55,590,343	45,932,622
Working capital	47,564,689	59,205,888

†Adjusted to conform with 1946 figures.

MID CONTINENT OIL & GAS CO. advises that T. L. Brooks & Co. has underwritten 200,000 shares at 10 cents, payable forthwith and has optioned 200,000-share blocks at 12½, 15, 17½ and 20 cents.

THREE REASONS WHY ROYALS ARE A BETTER BUY FOR YOU

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Royals are the *sturdiest* typewriters engineering science has produced. Because of this fact, Royals *stand up longer*, spend *more* time on the job, *less* time out for repairs. Result: Royals cut stenographic work losses to a minimum, give you the *maximum* return from your typewriter investment.

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Royal Typewriters are manufactured in Canada by Canadians. Parts and service are available from one end of the Dominion to the other. *Your* Royal service man is just around the corner. Order Royals!

ROYAL
World's No. 1 Typewriter

Demand for Flaxseed At New Peak in West

From Our Own Correspondent

SASKATOON—Flaxseed cleaning plants here are working day and night in an attempt to catch up on a nearly unprecedented number of orders.

There was not likely to be a shortage of the seed, but difficulty was in processing it in sufficient time. As a result, some farmers were turning to other grains, which were in more plentiful supply.

This year has seen a bigger demand for the seed than in the last three years.

The shares referred to herein are being offered in Canada, but not in the United States of America. Neither this advertisement nor the Prospectus referred to herein are, under any circumstances, to be construed as an offering of any of this issue for sale in the United States of America or the territories or possessions thereof or an offering to any resident thereof or a solicitation therein of an offer to buy any of this issue.

Additional Issue

$2,500,000
(Par Value)

The Goodyear Tire & Rubber Company of Canada, Limited

4% Cumulative Redeemable Sinking Fund Preferred Shares
(Par Value $50 per share)

In the opinion of Counsel these Preferred Shares are Investments in which The Canadian and British Insurance Companies Act, 1932 as amended (Dominion) states companies registered under it may invest their funds.

A Prospectus containing details of this issue is available upon request.

We, as principals, offer these Shares if, as and when issued, subject to approval of all legal details by Messrs. Blake, Anglin, Osler & Cassels, Toronto.

PRICE: $52.50 per share

Trustee's Interim Certificates bearing interest at the rate of 4% per annum from June 16 to July 31, 1947 inclusive, on the par value of the shares in respect of which the said Certificates are issued will be available for delivery on June 16, 1947. On and after August 1, 1947 such Trustee's Interim Certificates will be exchangeable for Definitive Share Certificates of the Company.

The right is reserved to reject any or all applications and also in any case to allot a smaller number of shares than may be applied for.

The listing of these additional 4% Cumulative Redeemable Sinking Fund Preferred Shares as of August 1, 1947 on The Toronto Stock Exchange and the Montreal Stock Exchange has been approved subject to the filing of documents.

A. E. AMES & CO. LIMITED

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GREAT NORTHERN RAILWAY

Open Canadian Doors to 'DPs'?

The majority of Canadians answering The Financial Post's questionnaire favored admission of displaced Europeans to this country, with adequate safeguards, to ensure that they were assimilable into the Canadian way of life. Replies stressed our need for selective immigration to colonize vacant land, and the practical, as well as the humanitarian, arguments in favor of admitting refugees. "Canada should be preserved, not for Canadians, but for Canadianism," one observer commented. The "anti" group contended that this country should confine itself to contributing generously toward the relief of displaced persons.

The Question: Should Canada Welcome Substantial Influx of European Displaced Persons? If So, Suggest Specific Method

R. G. CAVELL, Vice-President, Automatic Electric (Canada) Ltd., Toronto.

I feel strongly that Canada should welcome a substantial influx of European displaced persons. With all our wealth, comforts, security and boasted Christian democracy, we have for too long been content to turn our complacent faces away from the suffering and misery of these people.

The Dominion Government should agree to take a substantial number. Regional camps could be established to house them temporarily. Committees could be set up across the country, composed of representatives of labor, industrial employers and farmers. Each regional committee should be responsible for establishing an agreed upon number in its area.

The total expense should be borne by the Dominion Government so that every Canadian would be doing his share through his taxes. If we have not this much milk of human kindness in us, let us stop calling ourselves a Christian nation.

J. B. COYNE, President Winnipeg Branch, United Nations Society of Canada.

This is not a question of immigration in the ordinary sense, and other considerations and principles apply. The situation respecting displaced persons puts the direct challenge whether Canada is willing to take this practical step in helping to repair in some degree one of the wrongs and tragedies of war. This is the way in which we can make a real and notable contribution. Having played a worthy part in an endeavor to promote world peace and international collaboration we should do this too, even if it were a sacrifice, as testimony to our earnest desire, and to the broad humanity that is essential for its attainment; and to our thankfulness to that Providence which has given to Canada and Canadians so much that these people have lost. If the will is present, specific method is not a difficulty.

• • •

R. J. DINNING, President, Burns & Co., Calgary.

Western Canada must have more agricultural labor if our production is to be maintained and our export markets protected. I strongly favor a selected European immigration, supervised by qualified Dominion government officers who have an intimate knowledge of Canada's labor requirements. Pressure by Canadian groups and organizations for special immigration concessions should be ignored, and all massed immigration avoided. The Dominion Immigration Department should be obligated to maintain constant control and supervision over these new citizens for a period of years, and thereby enable them to become good Canadians. Central authority must control immigration but the Dominion and provinces should co-operate in transfers of labor, thereby avoiding unemployment.

• • •

COL. JAMES N. DUNWOODY, J. M. Dunwoody & Co., Toronto.

I am deeply sympathetic to the problem of the relief of European displaced persons but I do not think that this problem should be permitted to confuse and interfere with a considered immigration plan. Canada needs strong, virile peoples from abroad but only of nationalities and religions which can be assimilated into Canadian nationhood. Many European displaced persons are reported to have been so long under supervision or in custody that they have lost all desire to work and all ability to fend for themselves. Many are chronically and some incurably ill. Most have a mental outlook foreign to ours and to our economic concepts. To bring these people to Canada in large numbers, in my opinion is to invite race suicide. We already have a bad case of national indigestion from those importations which cannot or will not become assimilated. We cannot aggravate the situation. Let us contribute generously toward the relief of European displaced persons but let us open our doors only to those peoples who can absorb the Canadian way of life.

• • •

J. ALEX EDMISON, K.C. Former Senior UNRRA Officer to SHAEF.

From having spent six months inspecting camps for displaced persons in Europe, I have high regard for the calibre of many of these folk who wish to start life anew in Canada. I have been given tangible demonstration of their adaptability and consider many would settle and build up sparsely populated areas in Canada and others would contribute new industrial skills to business. Method of selection should be based on grounds of physical, mental and moral health, agricultural or trade skills, and with quotas accorded to Protestant, Catholic, and Jewish groups. Time is of the essence as these Nazi victims cannot improve in morale by being cooped up in refugee camps in a hostile country. Furthermore, the longer we Canadians delay effective action, the less chance we will have for the cream of the refugee crop.

• • •

WILFRID EGGLESTON, Press Gallery, Ottawa.

If we Canadians are really keen about welcoming substantial numbers of European war victims into the Canadian community, we would overcome the practical obstacle of transportation some way. Recent protests make me wonder whether the majority are sincere in our expressions of sympathy. Screened by ordinary good sense, tempered by humanity, such an influx would, in my opinion, be a definite asset to this country.

• • •

LOIS FRASER, Welfare Worker, Toronto.

Even at some sacrifice we should welcome a large number of displaced persons to share our ample space and food, our safety and our freedom. Actually no great sacrifice is required and Canada would gain lasting benefits from the skill, industries and loyalty of the newcomers. Some central authority should receive them, help them to find work at current wages under proper working conditions and continue this responsibility until they are firmly established. Those children's agencies which took responsibility for placing most of the British children here during the war, should have charge of any orphan children without parents.

• • •

HARRY P. HODGES, Editor, Victoria Daily Times, Victoria, B.C.

Every Canadian surely knows that a vast part of this Dominion is empty. The best way to fill it up is by the acquisition of peoples from other lands who are healthy in mind and body and who are willing to become part of the warp and woof of this great nation. We should keep in mind that if we do not populate and develop our own vacant areas, some as yet unknown dictator might try to apply his modern version of more "Lebensraum" to this section of the North American continent.

• • •

EDWARD E. JOHNSTON, Editor The Times-Review, Fort Erie.

In reasonable numbers, Canada should welcome those victims of the war who are of a desirable type, and who are now in such a deplorable and desperate plight in many parts of Europe. Anything less than that would be selfish and inhuman. At the same time, we should concern ourselves with the conditions under which they are brought over, and admitted to this country.

From a purely political standpoint, the recent importation of Polish girls is unlikely to enhance the prestige of either the Government or the Liberal party.

• • •

A. R. KAUFMAN, President, Kaufman Rubber Co., Kitchener.

Canada should welcome a substantial influx of European displaced persons, provided they are good calibre, and chosen preferably by representatives of prospective employers approved by the Department of Labor. Such immigrants, with employment guaranteed and fare paid, should sign an agreement to repay fare if they change employment in less than one year.

Displaced persons, such as former employers and farmers, should be helped by a Government Department, as high calibre immigrants with initiative will be an asset to Canada.

• • •

DR. F. W. PATTERSON, President, Acadia University, Wolfville, N.S.

I believe entry of a considerable body of displaced persons is desirable with certain rigidly enforced provisions. All applicants should be carefully screened and those with known or suspected communist or fascist sympathies barred. Canada should be preserved not for Canadians but for Canadianism and only those admitted, who are potential Canadians capable of being assimilated to the Canadian way of life. I have no suggestions as to specific methods; but those charged with the responsibility of screening, should be of unquestionable loyalty and representative of the best in Canadian life.

• • •

RANDOLPH PATTON, Associate Editor, Winnipeg Tribune, Winnipeg.

Canada needs 300,000 immigrants a year for ten years. Nothing less will raise the population growth rate. Such a scale involves all-out economic development in many fields comparable to the war effort. A program limited to displaced persons and current labor requirements is a mere token, and in the long run is likely to displace skilled Canadians to opportunities abroad. Canadian brains and resources can make a major contribution to world prosperity if we avoid pricing ourselves out of market by muddling day-to-day expedients. During the past two years, seven million displaced have shaken down to 830,000 with some decline in the ratio of desirables.

• • •

THORNTON PURKIS, Advertising Counsellor, Toronto.

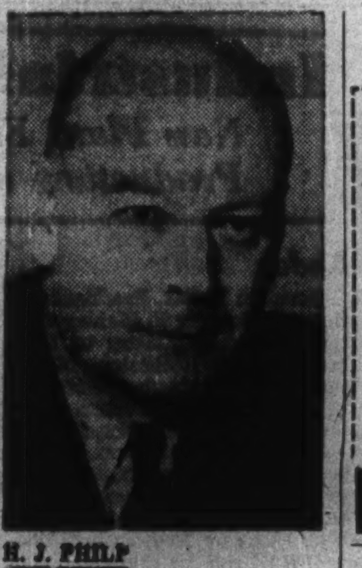
Displaced persons should not be admitted on the same basis as the Polish girls who were imported. Indentured labor is a negation of freedom. Displaced persons who come to Canada freely, and who can sustain themselves by choosing their employment are welcome but if employers bring in and exploit cheap labor, Canadian organized labor will have every right to strike against so disgraceful a procedure.

To get votes, apparently, the Government is shamefully catering to racial and religious groups.

• • •

H. G. L. STRANGE, Director, Agricultural Research Dept., Searle Grain Co., Winnipeg, Man.

I have just recently returned from Britain and continental Europe, looking over the situation. Canada has a golden chance to bring in skilled craftsmen, artisans and professional men with high talent; and we should take advantage of the opportunity. Personally, I urge in addition as many British people as possible as they are the cream of the European population. About half the young men and women of Britain today would gladly come to Canada if given the opportunity. They are highly skilled, loyal and law-abiding, exactly the type Canada needs. If Canada does not expand her population, she will be taken over by a world power.



H. J. PHILP

has been appointed assistant general manager of Eastern Steel Products Ltd. and its subsidiaries.

The Wawanesa
Admitted Assets... $6,784,348.81
Surplus 3,180,060.56
Dom. Govt. Deposit 2,378,615.74
Write for Financial Statement
Head Office: WAWANESA, Man.
Eastern Office: TORONTO, Ont.
Branches
VANCOUVER, SASKATOON
WINNIPEG, MONTREAL

CENTRAL PATRICIA GOLD MINES has declared a dividend of two cents a share, payable June 30 to shareholders of record June 10.

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COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

NEW METHOD LAUNDRY CO. consolidated net profit increased 20.75% to $28,630 in year ended Dec. 31, 1946. Operating conditions continued difficult throughout the year with most types of supplies either short or unobtainable. President J. H. Sheedy states. Despite these difficulties the company was able to show a satisfactory statement and one which shows the companies to be in the strongest financial position since their inception.

Some $24,000 in bonds matured and were redeemed and cancelled as were five preferred shares. Two extra quarterly dividends were paid on preferred stock, reducing arrears to 13 consecutive quarters.

CONSOL. PROFIT AND LOSS ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	[illegible]	$72,771
Less: Depreciation	16,630	15,117
Bond interest	1,800	2,391
Income taxes	19,937	31,413
Net profit*	28,630	23,716
Less: Pref. divds.	18,191	12,142
Surplus for year*	10,439	11,563
Incl. ref. EPT	....	2,000

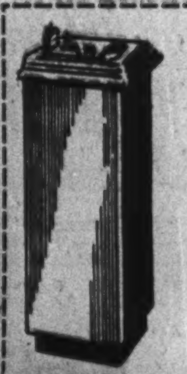
*Note: Co's. report includes ref. EPT in net profit and surplus for year.

Times Bond Interest Earned:		
Before deprec.	26.89	26.79
After deprec.	27.98	22.78
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$13.36	$12.70
Incl. ref. EPT	15.36	14.33
Paid	6.30+3.25	6.50
Com.: Excl. ref. EPT	0.66	0.46
Incl. ref. EPT	0.66	0.33
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Total curr. assets	$116,289	$126,412
Misc. assets	11,420	12,872
Trust account	36,477	46,710
Fixed assets*	413,680	410,870
Goodwill	54,643	54,643
Total assets	631,916	[illegible]
Total curr. liab.	43,881	[illegible]
Fund. debt & int. accr.	35,660	59,197
Capital stock	421,615	[illegible]
Capital surplus	27,773	[illegible]
Earned surplus	[illegible]	[illegible]
*After depr. of	307,310	[illegible]
Incl. ref. EPT	6,143	6,141
Working capital	72,408	76,[illegible]

CLARENDON APARTMENTS LTD. 7% first mortgage sinking fund bonds will receive an interest payment on June 15, 1947 on the basis of $17.50 per $1,000. bond. This will be applied as a first payment on coupon no. 20, due Dec. 1936.

WATER COOLERS!

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That home-clean, spic-and-span washrooms inspire permanent loyalty, help prevent the spread of disease, reduce absenteeism and increase efficiency accordingly . . . is no idle washroom chatter.
Employees are as humanly sensitive to their surroundings as the "Boss" himself.
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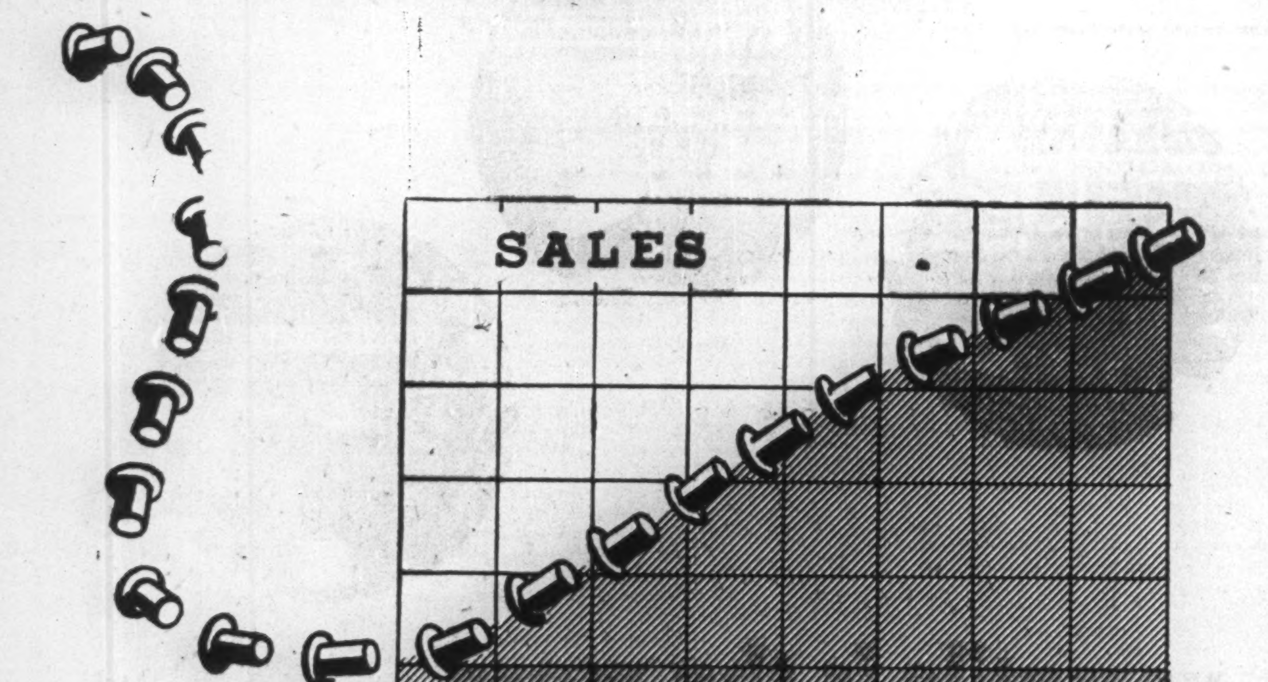

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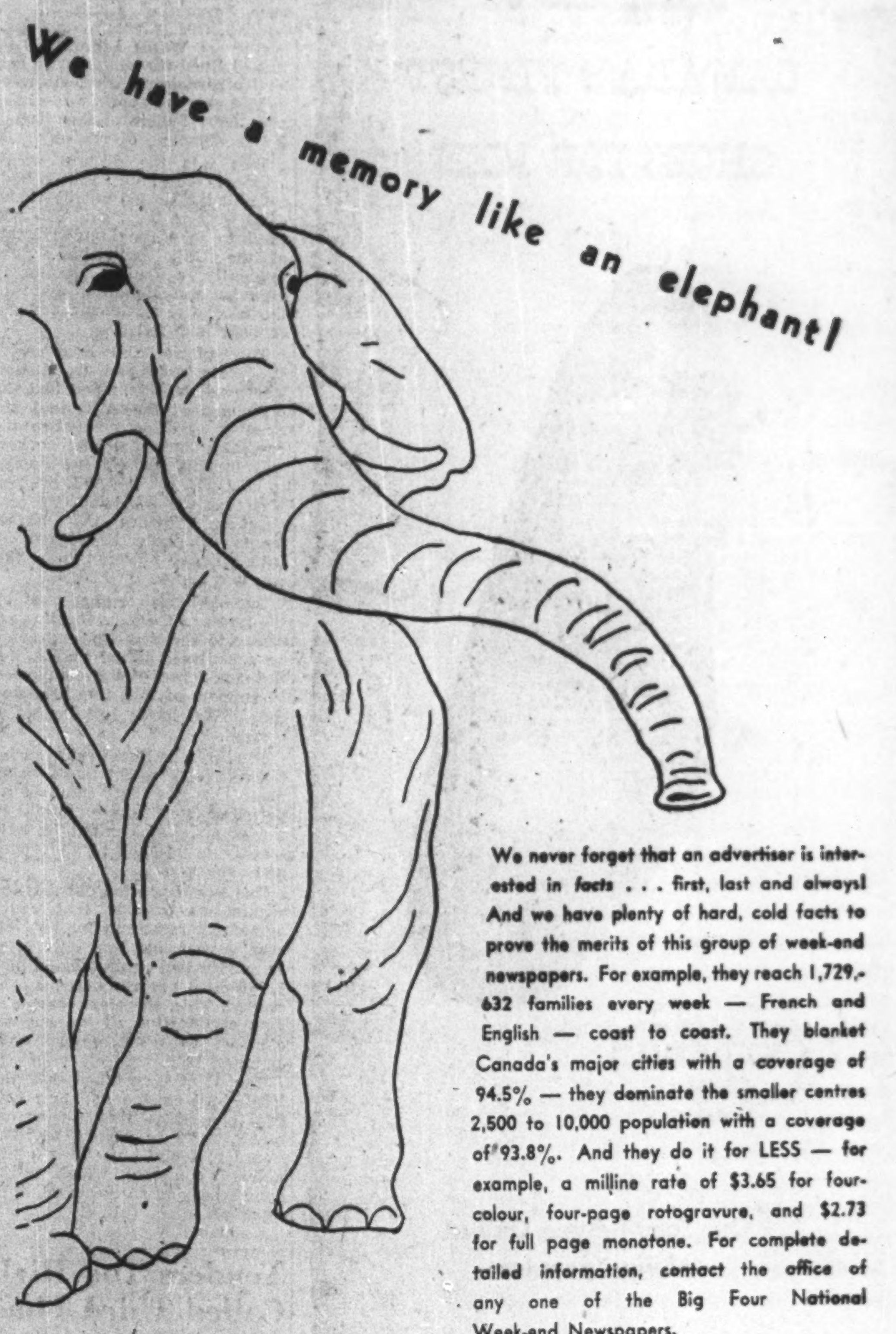
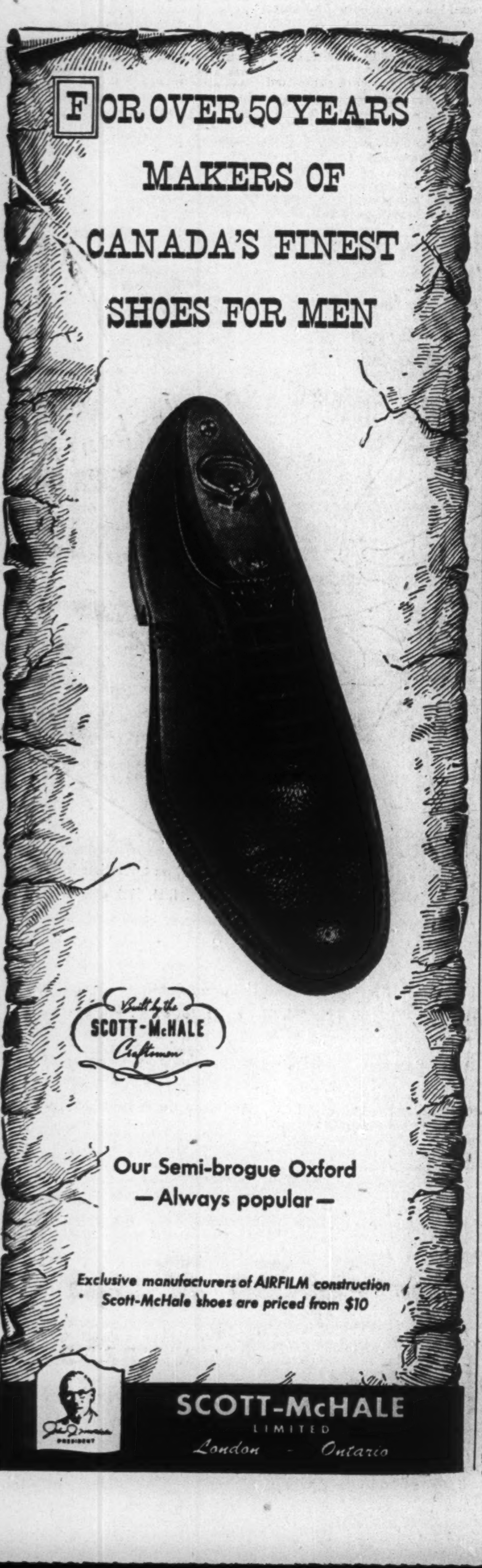

We never forget that an advertiser is interested in *facts* . . . first, last and always! And we have plenty of hard, cold facts to prove the merits of this group of week-end newspapers. For example, they reach 1,729,632 families every week — French and English — coast to coast. They blanket Canada's major cities with a coverage of 94.5% — they dominate the smaller centres 2,500 to 10,000 population with a coverage of 93.8%. And they do it for LESS — for example, a milline rate of $3.65 for four-colour, four-page rotogravure, and $2.73 for full page monotone. For complete detailed information, contact the office of any one of the Big Four National Week-end Newspapers.
STAR WEEKLY • LA PRESSE
SUNDAY LA PATRIE • THE STANDARD

BIDGOOD KIRKLAND GOLD MINES reports bullion production of $42,279 from 2,668 tons of ore milled, an average recovery of $15.85 gold in May ($35,740 from 2,017 tons and $17.71 in April).



Industrial Growth in Canada

New Plant Expansion Projects to Increase Production and Employment in Industry

Kodak

Canadian Kodak, President and General Manager E. Stanley Currie, Toronto, subsidiary of Eastman Kodak, Rochester, N. Y., starts $250,000 six story 66,000-sq. ft. addition in suburban York township as initial stage in postwar expansion program. Kodak, according to Toronto Industrial Commission, will engage additional employees on completion early 1948. Plans by Kodak's architectural staff call for reinforced concrete and steel beam-and-girder construction, CPR siding.

• • •

Smith & Reilly

Toronto Industrial Commission announces organization of Smith & Reilly Ltd., Toronto, new company to make specialized electronic equipment, including high-frequency heating apparatus. Firm has bought vacant land in suburban Etobicoke township on Oxford Street overlooking Queen Elizabeth way for early construction of one-story steel and brick plant. Number of employees not yet decided. First product probably will be frequency-controlled diathermy machine for medical profession.

• • •

Doherty

Doherty Industries, Toronto, Edward Doherty, proprietor, completing small one-story plant, Ryding Avenue, Toronto, and will move from 2187 Bloor West. Production capacity will be more than doubled and employment increased slightly on installation of new automatic machinery. Doherty makes marine accessories, deck fittings, cigarette lighters, automotive and radio parts and accessories, and general steel products (was known as Doherty Screw Products).

• • •

Nor. Eureka

Northern Eure : Refrigerator, Toronto, President Lawrence Cropley, starts building small new plant in suburban Etobicoke township and, on completion next winter will move from in-city plant 2777 Dundas west; architects Hanks & Irwin; contractor James Seeback. Two stories, 6,000 sq. ft., steel and concrete block, representing 40% increase in production facilities and "substantial" gain in employment. Design allows for doubling size of new plant to about 12,000 sq. ft. Northern Eureka makes walk-in and restaurant type refrigerators, porcelain-finished steel display counters, cold storage doors for locker plants and freezer units.

• • •

Empire Silver

Empire Silversmiths, Toronto, Donald Duncan and Alex. Armstrong, proprietors, completing construction of new plant in suburban Swansea village. On completion this summer, will substantially expand present lines of metal sport trophies and replica figures; will make additional allied lines now under development for domestic and export markets. New one-story steel, block and brick plant roughly triples present manufacturing space.

• • •

Wm. R. Warner

William R. Warner & Co., Toronto, General Manager Vernon R. Dowling (subsidiary of Willam R. Warner, New York), completing two-story 20,000 sq. ft. addition. This, according to Toronto Industrial Commission, is first unit of large expansion program to include building of $650,000 six-story steel and brick extension starting this fall. Completion will amalgamate at one location the properties of Warner subsidiaries, including Richard Hudnut Ltd. Warner and subsidiaries make cosmetics and pharmaceuticals.

• • •

Ogilvie Sisters

Ogilvie Sisters Laboratories, Toronto, Production Manager Wilfred G. Neale, subsidiary of Ogilvie Sisters Laboratories, New York, leases manufacturing space on second floor of modern steel and brick building at 454 Richmond St. West, Toronto; will move from 77 Wellington St. West. The move increases facilities for mixing, bottling and packaging hair preparations.

• • •

Feather Industries

Feather Industries Ltd., Toronto, recently organized associate of Canada Packers, leases 10,000 sq. ft. in three-story steel and brick plant in Overend Street, city harbor front, near Canada Packers vinegar works. Vice-president and Managing Director H. Heller formerly was engaged in this business on wide scale in Czechoslovakia.

Operations have begun, according to Toronto Industrial Commission, for processing by-product feathers, formerly not utilized, for distributon to makers of pillows, comforters, upholstery, furniture. Special machinery includes chemical washers, centrifugal dryers and dusters and sorting blowers for treating goose and duck feathers and down, and chicken feathers. Distribution will be across Canada and in export markets.

• • •

H. & R. Arms

H. & R. Arms Co., new Canadian subsidiary of Harrington & Richardson Arms, Worcester, Mass., maker of quality sporting arms for over 75 years, recently leased space in former Small Arms Ltd., plant in suburban Long Branch, near Toronto, is entering manufacture of 12, 16 and 20-gauge shotguns and three models of 22-cal. rifles, the latter after designs by Eugene Reising, designer of the 45-cal. Reising submachine gun produced by the parent company for U. S. marines in wartime.

• • •

Johnson Matthey

Johnson Matthey & Mallory, President & Treasurer Stanley Stilwell, Toronto, has foundation going in for new $600,000 plant in suburban York township on four-acre site, Industry Street; engineers Ewart, Armer & Byam; contractor A. W. Robertson Ltd.; one-story, 65,000 sq. ft., reinforced concrete, steel and brick, sawtooth monitor roof, for completion spring 1948.

Johnson Matthey (Canada), precious metal refiner and dealer, is subsidiary of 200-year-old British firm of same name. Last fall (The Financial Post Oct. 29, 1946) Johnson Matthey announced association with P. R. Mallory & Co., Indianapolis, and formation of new company. New plant will make Mallory devices and parts for electrical and metallurgical equipment as well as providing larger facilities for Johnson Matthey lines of precious metals refining and manufacturing.

CIO Steelworkers Win GSW Bargain Rights

The Ontario Labor Relations Board has settled, for the time being at least, the jurisdictional dispute between CIO and AFL over bargaining rights in the London, Ont., plants of the General Steel Wares Ltd. The CIO United Steelworkers right to collective bargaining privileges were upheld and the application of the new AFL Federal Labor Union for certification, dismissed.

This was the dispute which arose when organizer Harold Padget quit the United Steelworkers; went over to the rival AFL and tried to take the London locals of the USW with him. Subsequently, a similar attempt to organize the Hamilton plant of the Steel Co. of Canada and get certification, failed.

The Ontario Labor Board, with E. J. Hopcraft and G. Russell Harvey dissenting, ruled that the argument of the AFL that the existing agreement between the company and the Steelworkers was invalid, "would not appear to hold water." The AFL position was that the Steelworkers' constitution provides that agreements can only be signed by International officers while this one was signed by Padget.

The AFL also argued that by the terms of the agreement a successor to the Steelworkers could be substituted if the USWA lost the confidence of the employees. In support of this, the AFL said the USWA locals had been disbanded.

In reply, the Board said this interpretation "might well bring about chaos as there could be no permanency in labor relations in the plants. Votes might be held weekly or oftener as the sentiment changed."

The Board pointed out that the regulations provide that every agreement must run for not less than a year and that only after 10 months had expired could new bargaining representatives be elected. This, therefore, barred a new certification as the current contract does not expire until January, 1948.

The USWA testified that the locals still existed and new officers elected so that the agreements could be carried on. The Board so found but added a significant comment which might have a bearing on the wording of contracts in the future.

Undoubtedly, the Board said, quite different considerations would have applied had the local unions rather than the parent organization (the International) been parties to the agreement. The International is, under the agreement, the organization in which the rights created by the agreement, are vested while the locals are no more than instruments through which the International acts.

In other words, a local can pass out of existence but the union will still be the official bargaining agent if the International and not the local, is a party to the agreement.

While this decision settles the issue for the moment, another AFL challenge can be expected after the existing contracts runs the 10 months required by law before new bargaining agents can be certified. That will happen next October.

Tenders Too High Called Third Time

From Our Own Correspondent

VICTORIA—Seeking a price below $20,000 for doctors' residences and $14,000 for farm cottages, British Columbia's Department of Public Works is making its third attempt in less than a year to let contracts for new buildings in a program of expansion of facilities at Tranquille Sanitarium, near Kamloops.

Tenders close June 12 for four doctors' residences, a nurses' home, library building, two farm cottages, and additions to the farm boarding-house. All previous bids were turned down as too high.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

SYLVANITE MINES says in annual report that to April, 1947, about 400 ft. of new ore had been developed to the east on 4,600-ft. level with good promise of substantial additional lengths being opened to the east. Net profits rose $11,585 to $389,337 in 1946. Loss of premium on U. S. dollar and increase in wages in second half of year reduced earnings during that period.

President Welles V. Moot states that with increased production and other small favorable items, the company can earn about eight cents a share for 1947, and therefore the dividend rate has been reduced accordingly.

Diamond drilling at Craibbe-Fletcher disclosed only low values in a few holes in 1946. A generous program of additional drilling should complete this drilling this year. Twenty-eight properties were examined by exploration department; but none showed enough promise to warrant an option being taken.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Bullion prod.	$1,693,581	$1,452,360
Less: Oper. exps.	1,123,326	862,977
Net oper. earns.	570,255	589,383
Add: Int., etc.	15,687	18,477
Total net earns.	585,942	607,860
Less: Deprec.	43,672	52,841
Def. dev. res.	......	35,000
Taxes res.	152,933	142,267
Net profit	389,337	377,752
Less: Divds., etc.	395,940	395,940
Deficit for year	6,603	18,188
Earned per Share	$0.118	$0.114
Paid	0.12	0.12

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & bullion	$427,136	$417,247
Bonds & debents.	700,450	701,900
Mat. & stores	180,892	106,130
Total curr. assets	1,308,478	1,225,277
Prep. & def. chgs.	36,938	60,645
Shs. & adv., sub.	1,859,267	1,859,266
Claims & props.	1,530,014	1,541,326
Plant & equip.▲	38,260	70,939
Total assets	4,772,957	4,757,453
Accts., etc., pay.	207,489	165,713
Taxes reserve	95,000	80,000
Total curr. liab.	302,489	245,713
Conting. reserve	710,000	450,000
Expl. & dev. res.	......	260,000
Capital stock	2,383,000	2,383,000
Surplus	1,377,468	1,418,740
▲After depr. of	1,187,989	1,144,466
Working capital	1,005,989	979,564

OPERATING STATISTICS

	1946	1945
Tons milled	154,562	114,227
Average recov.	$10.96	$12.71
Ore reserves, tons†	61,332	53,538

†Broken.

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Construction Trends — By CLIVE CHATTOE

Buyer Turns Screw One More Notch In Bitter Mood on Building Prices

It is now widely considered unlikely that construction contract awards in 1947 will much exceed, if they reach the $600 million mark, as against $663 millions in 1946.

The industry's first contra-seasonal postwar decline in volume of added work continued in May, suggesting some recession in business confidence as well as continued buyer reaction to building costs 75% to 90% above pre-war.

Canadian construction awards in May at $64.2 millions were down 22% from a year ago; awards for five months at $253.6 millions down 8.2%

But a falling construction total at a time when sharp rise had been almost universally expected, may provide beneficial shock. Hope is growing in industry ranks that second thoughts will prevail and ways be found to "do the impossible"—cut costs.

The fact that decline in new business continues at a time when uncompleted 1946 jobs are being largely cleaned up, is seen likely to induce a change of heart right down into the ranks of building labor.

And the fact that building materials output is running 10% to 30% above 1946 while new awards decline is likely to discourage further price rise if it does not reverse the process.

Here's how the award totals for May and five months break down by categories, with engineering, commercial and institutional groups holding their own at much higher levels than a year ago; factories and housing continuing a decline arousing some concern outside as well as within the industry:

Construction Contracts Awarded
(Millions of dollars)
(Source: MacLean Building Reports Ltd.)

	5 Mos. 1947	5 Mos. 1946	% Change	May 1947	May 1946	% Change
Eng. const.	59.9	36.3	+65	10.5	9.4	+12
Comml. and inst. bldg.	98.1	78.9	+24	23.7	22.3	+6
Factories	40.9	72.1	—43	7.9	18.4	—57
Housing	56.6	88.9	—36	22.0	32.2	—32
Total	253.6	276.2	—8	64.2	84.2	—22

Housing Drop May Help General Supply Picture

While few housing analysts outside Ottawa believe it's still possible to achieve Canada's official target of 80,000 housing units completed in 1947, the idea is gaining in some quarters that current production of building materials — running 10 to 30% above 1946 — may result in lower prices and more building by August.

All but a few of the most critical bottlenecks in building materials have been broken and builders can expect greater, if not yet adequate supplies in most lines for the remainder of the year. Current production generally is above the level of effective housing demand, plus that of other building, repairs and engineering construction. Pipelines, however, won't fill until 1948 at the earliest, it's indicated.

Basis for optimism on supply is new realism in predicting total housing completions in 1947. It is being acknowledged by Mr. Howe himself that the Government target of 80,000 completions this year — including the 42,000 carried over unfinished at turn of the year — is being modified and sights set for something nearer last year's 63,000.

Mr. Howe, before Oshawa Chamber of Commerce, May 26 (Construction Trends May 31):

"It is the intention of the Government 'to erect' another 80,000 houses in Canada this year, and 100,000 a year for the following three or four years."

Mr. Howe, House of Commons, May 29:

Whether Canada will achieve the objective of 80,000 new housing units this year "is in doubt at the moment. Conditions for new construction must be much better in the next month or two if we are going to do that, and the reason is that costs have risen to the point where a new orientation must be made to provide houses within the reach of low-income families."

The fact is that, unless Mr. Howe's "new orientation" takes on unexpectedly lurid character and velocity before the House rises, the current market just won't absorb more than 60,000 or so new completions.

(Market sidelight: One active and long experienced Toronto builder told this column the other day that the local market is glutted for the new house costing $14,000 and up and that, within three months — despite the fact that three months will bring most of Canada to the height of seasonal housing demand — similar failing off in buying will have extended to lower price ranges of new housing.)

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Govt. of New Brunswick Sets Up Planning Board

Setting up of a New Brunswick provincial planning board, under an amended town planning act enacted at the recent legislature session, was announced at Fredericton this week by Industry & Reconstruction Minister J. Andre Doucet.

A major aim is to assist municipalities to launch and carry out town planning programs; "to encourage and support appointment of local town planning commissions and promote related civic enterprises."

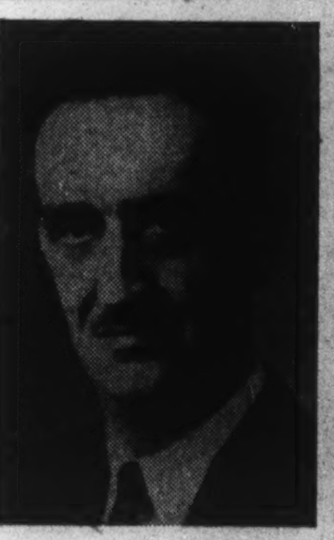
Board chairman is Industry & Reconstruction Deputy W. A. Moore and the other members are Works Deputy A. W. Barbour; Lands & Mines Deputy Dr. G. H. Prince; Medical Health Chief Dr. J. A. Melanson; Provincial Fire Marshal H. M. Armstrong; Information & Tourist Director D. W. Griffiths; Agriculture Deputy J. K. King; Resources Development Chairman Dr. H. J. Rowley; Senior Solicitor J. Edward Hughes of the Attorney General's dept.; and (secretary) L. T. Leeman of Dept. of Municipal Affairs.

Auxiliary to the Board itself will be a planning division under Dept. of Industry & Reconstruction. Its job will be the "contact" work and execution of recommendations of the board.

Technical assistance will be made available to municipalities contemplating local improvements such as water, sewerage, lighting and fire protection under the "Local Improvements Districts Act."

Assistance will be provided to municipalities in enhancing the natural beauty of any locality, including the development of forest and park areas. Design of buildings and location with respect to highways will be given attention.

Collection of information on highways, railways, waterways, airways, flood prevention, prevention of stream pollution, wildlife preservation, public buildings, etc., will also be undertaken, from which it is hoped that a program for the preparation of an official plan for the comprehensive economic and physical development of the province may take shape.



HARRIS POPPLEWELL

has been appointed to head the The General Detroit Corp., Canada, a new Canadian subsidiary of The General Detroit Corp.

House Building Code Offered Small Towns

Clause on "Prefabs" is Main Addition in Midget Version of National Research Council's 1941 General Code

A document expected to inspire sharp advance in modernizing and standardizing of Canada's largely outmoded municipal building by-laws was placed in the hands of all large towns and small cities of Canada last week.

Entitled "A Building Code for Smaller Municipalities," and prepared by the National Research Council of Canada, the document is an abridgment of the "omnibus" National Building Code 1941, widely hailed as an authoritative work for guidance of building by-law modernization in larger communities.

The abridged code features suggested detailed regulations for structural safety and health in one- and two-family dwellings; regulations for larger buildings are included only as reference signals for reading of the original code.

Open Door To Prefabs?

Prepared by a committee headed by F. W. Nicolls, Ottawa consulting architect and former director of the national housing administration, according to some observers it may spark in small communities a new degree of acceptance of prefabrication.

On new materials and methods of construction, the original national code was cautious. It said merely that these might be permitted "provided their suitability and safe working stresses have been approved by the authority having jurisdiction (building inspector, fire chief, etc.), on the basis of laboratory tests carried out by a publicly owned or other recognized laboratory."

A much bolder lead is offered smaller municipalities in the new sub-code.

Challenges Old Ways

Prefabrication, for example, is singled out for fairly extensive treatment. In few, if any, established local codes are factory-built houses, sections or panels given any recognition at all, which means that in most of Canada they are illegal.

Challenging that restrictive point of view and apparently arguing that prefabricated structures can be equal to site-built ones in strength, life and investment security, NRC's building code committee of architects, engineers and materials experts offers a new clause (No. 625) to guide municipal authorities in approaching "radical" patterns of structural design.

Here is the clause on prefabrication, one of the most discussed developments on the building horizon at the moment (page 54 of the "Building Code for Smaller Municipalities"):

"(a) **General requirements.**

"Prefabricated dwellings shall comply with all the requirements of this code unless they are tested in accordance with the provisions of Clause 625-B (see Strength).

"The prefabricated section or panels shall be manufactured within tolerances which will assure site assembly and erection without difficulty or unanticipated stress. All corners and connections between panels and sections shall be made tight and true. Exposed exterior surfaces, joints and connections shall be weathertight and durable.

"All panels and parts shall be protected from damage at all times prior to the completion of the building.

"(b) **Strength.**

"The strength of all components and connections which cannot be determined by engineering analysis, when recognized standards of structural design are used, shall be determined by tests.

"Components and connections which are identical to those analyzed or tested shall be considered to meet the same strength requirements as those determined by such analysis or tests. Tests shall be made wherever practicable in accordance with nationally recognized testing procedures.

"The point of application of test loads, and the location of supports shall conform to conditions encountered in the complete dwelling. Panels, connections or other elements not subject to analysis by a generally recognized formula, or by comparison with comparable assemblies, shall be tested in triplicate.

"The panels and other elements tested shall be representative of commercial production and assembly and shall be accompanied by a complete, accurate, detailed description of the materials and the assembly procedure used.

"Panels and other elements tested for wind, snow, ceiling and floor loads shall sustain, without failure, for a period of 24 hours, a superimposed load equal to 2½ times the live load. Recovery within 24 hours after removal of the full test load, shall be not less than 75% of the observed deflection. The measured deflection of any panel or element under full live load shall be not over 1/240th of the clear span.

"(c) **Connections.**

"Floor, wall and roof connections shall be of adequate strength and stiffness to transfer the applied test loads from one connected panel to another without failure.

"Floor-to-sill and sill-to-foundation connections shall be designed to resist shear, uplift and overturning without failure from application of lateral live loads and uplift."

Opens New Paths

Here is Canada's first national pattern of what prefabricated housing should be, and more than a hint that prefabrication is something municipal councils should be looking at as one approach to cheaper, better building.

Coming from top-rank structural and safety technicians—Lash of Kingston, Beam of Toronto, Abra, Nicolls, Ferguson, McElhanney, Clairmont and Reilly of Ottawa—it may get close attention in some of the larger municipalities, as well as in the smaller and perhaps more "liberal" ones for which it was designed.

But prefabrication is only a part, and a small part, of the abridged building code for small municipalities. In its way (houses) as comprehensive as the original, it includes eight sections, beginning with regulations for general administration and definition of the terms employed.

Location of the dwelling on the lot is discussed under several headings, followed by draft regulations affecting the planning and types of construction. Quality of materials is considered in 11 items. One section deals with use of fibreboard and another, on structural requirements, deals with special types, new materials, loads, foundation depths and bearing values, floors, walls, ceilings and the whole range of established types of construction.

Other items define desirable requirements for flues, chimneys, fireplaces and other heat-producing appliances, electrical equipment and installations.

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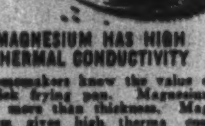
By using a Magnesium head on a driver lightness found still another use. This is one example of how magnesium gives lightness with strength.



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British Columbia Contractors Get $2,150,000 Extra

From Our Own Correspondent

VICTORIA—Adoption of the findings of Mr. Justice Sidney Smith as commissioner on claims of seven contractors will add approximately $2,150,000 to the cost of 12 major British Columbia highway contracts awarded since the middle of 1945.

Additional payments are intended to help cover increased costs resulting from Dominion and Provincial orders reducing hours of work and raising prices for materials subsequent to dates on which tenders were submitted. A total of $1,991,000 will cover increased unit prices for the various contracts, while $159,000 is for increased haulage costs authorized by government orders.

Contractors say they will lose $1.6 millions on projects involved in the hearings.

BRITISH AMERICAN OIL CO. has arranged that credit cards and domestic fuel oil accounts may be paid at any of the chartered banks in Canada after June 1, 1947. For this service the banks make their usual charge.

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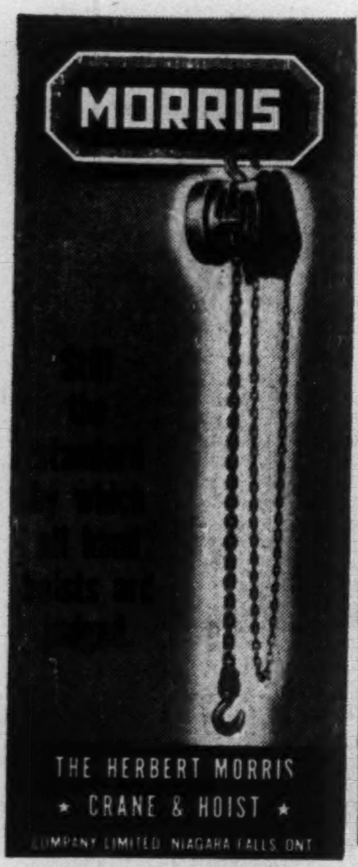


Labor Body No Catspaw Reds Outsmart Selves

The AFL Toronto District Trades and Labor council last week caught the pro-communists within its ranks flatfooted in a political move which, for tactics and objectives, was an almost perfect example of the way the Reds operate to subvert the whole labor movement to their own ends.

Not only did the anti-communists outwit the aggressive left-wingers, but they slapped a vote of censure on Sam Lapedes. This was important news, even within the labor movement, for labor prefers to battle the communists behind closed doors.

In the name of the council, but without its permission, the pro-communists had circulated a petition asking for endorsation of certain private labor bills and support for a mass lobby on the Ontario Government.

The clash between the right and the left had been developing for some time but the actual explosion was touched off by a letter from D. A. Dunlop, president of the Ontario Provincial Federation of the Trades and Labor Congress (AFL).

He asked the council to censure Lapedes, charging that the latter has used the name of the council to "further the aims of the political party to which he is undoubtedly affiliated (LPP)." The council did, by a vote of 85 to 40.

Move Failed in B. C.

To understand fully what this vote of censure means, with all its implications and ramifications, it is necessary to go back some weeks. Actually, the whole thing began at a meeting in Niagara Falls, Ont. Organized by the pro-communists, this meeting, referred to as the Niagara Unity League, voted to stage a mass labor rally on Queen's Park.

The ostensible objective: to bring pressure on the Drew Government to pass private labor bills which are to be introduced at the reconvened session of the legislature. The Reds tried to pull the same thing in British Columbia and failed dismally.

The next move in any such communist-inspired agitation is to circularize all the known communist unions and individual locals within non-communist unions. In this way, they get what seems like a good solid body of endorsation for whatever the Reds happen to be plugging at the moment. To the uninitiated, this kind of support looks impressive. The labor lobby plan followed this pattern to the letter.

But when they tried to get the backing of the strongly anti-communist Ontario Federation of Labor, they ran up against a snag. This federation represents all Canadian Congress of Labor unions in Ontario. Without its backing, or the backing of the equivalent AFL group, a labor lobby would be about as effective as a slap on the wrist.

The CCL group, knowing who and what was behind the lobby, played cagey. It didn't say yes and it didn't say no but it knows what it is going to say when the right time comes. If the Federation runs true to form, it will be No.

Turned to AFL

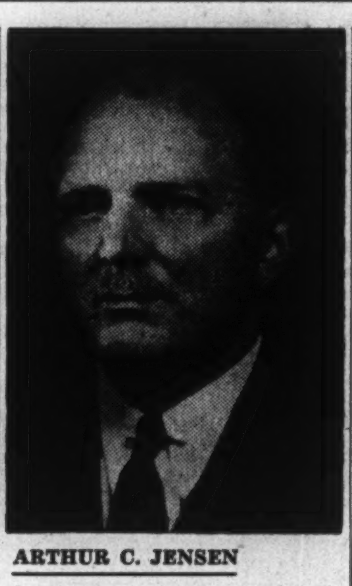
Then the Marxian friends switched and began working on the AFL. The first step was to bring the question up before the Toronto council. With the various labor bills the LPP and the CCF are sponsoring, the lobby plan was referred to the council's legislative committee . . .a standing committee, controlled by anti-communists.

However, its consideration of the various bills was impartial. It recommended endorsation of six pieces of proposed legislation, three by LPP members of the legislature and three by the CCF. But on the question of rallying labor at a demonstration, the committee suggested that this be referred to the Ontario Federation of the AFL-TLC.

At the next meeting of the council, the recommendations on the bills were approved without objection, but on the issue of the lobby, Lapedes and his supporters fought long and loud. In fact, they kept it up so long that they drove most of the non-communists home out of sheer boredom.

When they were sure they had a majority, the Reds made their move: Lapedes suggested that a special committee be set up to reconsider the question of the lobby. Did it pass? Of course. And in addition, the pro-communists packed the committee too. All four members were supporters of the party line, with Lapedes as chairman.

Unopposed, the committee prepared a petition and sent it to all AFL unions in Toronto. Without consulting either the legislative committee or reporting back to the council executive, or the Ontario Federation, Lapedes and his workers asked for endorsation of certain labor bills and support of the labor lobby.



ARTHUR C. JENSEN

has been appointed an assistant general manager of the Bank of Montreal; was formerly superintendent at the head office.

Say Authority Exceeded

In addition, the bills recommended were not all the same ones as originally approved by the legislative committee and endorsed by the council as a whole. By a bit of astute juggling, an attempt was made to create the impression that the council favored the LPP bills.

The blowoff came when the various unions began getting the petitions. Arthur Dowell of the Toronto Musical Protective Association had been at the meeting at which the original recommendation had been accepted. But like a lot of others, he left before the meeting was over and didn't know what the pro-communists had done.

At the meeting which censured Lapedes, Dowell spoke his mind "We know there are motions crowded through here by certain parties all the time. If we were to let Lapedes and others lead us around, we would never get anywhere."

Al Hearn of the Building Service Employees Union felt the same way "If you want to be a politician," he told Lapedes, "then get on the political platform. If you want to be a labor leader, throw off the shackles of political bondage."

"Promote Disunity"

From Fred Brown, chairman of the legislative committee which Lapedes by-passed, came this advice and warning: "We have a constitution and if we are not going to adhere to it, we might as well throw it away. Lapedes' letter promotes disunity instead of unity. He and others are trying to dominate this council, and nothing else."

And so it went on, for three hours; charges and counter-charges as the pro-communists, their ears pinned back for a change, tried to wriggle out by going on the offensive.

Once again the Reds had outsmarted themselves (The Financial Post, June 7). Their ambitious plan for a mass demonstration with the whole labor movement in Ontario behind it has gone up in Red smoke.

Exactly the same thing happened in British Columbia but they went ahead anyway, even after the AFL withdrew and certain anti-communist CIO-CCL unions pulled out also.

Ontario union leaders are confident the communists will go ahead with their plans in Ontario too.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CHATEAU-GAI WINES net profit for the year ended Apr. 30, 1947 was up 66.8%. With imported wines scarce during the war, the Canadian people have found that Canadian products compare favorably with the foreign while the cost is lower, President A. G. Sampson states. Management has sold the two idle plants, one situated at Thorold and the other at Oakville. Major portion of the construction program at the main plant at Stamford Park has now been completed. Fermentation capacity has also been increased. Increase in sales at company's new Sarnia outlet has been gratifying, it is stated.

CONS. INCOME AND SURPLUS ACCOUNT

Years Ended Apr. 30:	1947	1946
Net earnings	$235,535	$185,547
Less: Deprec.	29,019	26,896
Income taxes‡	103,198	96,727
Net profit	103,318	61,924
Less: Dividends	79,800	28,500
Surplus for year	23,518	33,424
‡Incl. ref. EPT	......	8,647
Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$0.91	$0.54
Incl. ref. EPT	0.91	0.62
Paid	0.55+0.15	0.25

CONDENSED CONS. BALANCE SHEET

As at Apr. 30:	1947	1946
Cash	$4,780	$35,989
Accts. rec.	166,460	105,259
Inventories	845,167	787,970
Total curr. assets	1,016,407	929,218
Misc. assets▲	85,252	42,030
Fixed assets*	423,419	450,407
Total assets	1,525,078	1,421,655
Demand loan	80,000	......
Accts., tax., etc. pay.	157,131	151,347
Total curr. liab.	237,131	151,347
Def. credit	......	6,241
Capital stock	1,071,327	1,071,327
Earned surplus▲	216,620	192,740
*After deprec. of	469,648	497,290
▲Incl. ref. EPT	17,054	17,054
Working capital	779,276	777,871

DELNITE MINES completed shaft extension to below the 2,800-ft. level and developed over 900 ft. of ore on the new 2,500-ft. level in 1946. There now is over 1,000 ft. of ore averaging about $12 per ton on this level and next two levels above are developing good ore though apparently the 2,500-ft. level is the best to date, President Welles V. Moot, states.

Net loss was pared from $235,671 in 1945 to $97,784 in 1946. Loss of dollar premium and old grade of ore from upper levels made it impossible for company to make both ends meet, and not until December, 1946, did company get enough ore from new higher grade lower levels to show a profit. It is expected that operations will continue to be profitable and tonnage will increase, but "until we are allowed to sell gold at its true value, which we believe is now over $40. an oz.," profits will be severely limited, President Moot adds.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Bullion production	$629,375	$363,063
Less: Mkt. chgs.	6,245	4,224
Oper. exps.	680,060	519,826
Operating loss	56,930	160,987
Less: Int. on invest.	3,442	9,080
Profit on inv.	5,644	313
Add: Deprec.	37,320	71,457
Def. develop. w/o	12,620	12,620
Net loss & def.	97,784	235,671
Earnings per Share	d$0.033	d$0.079
None paid.		

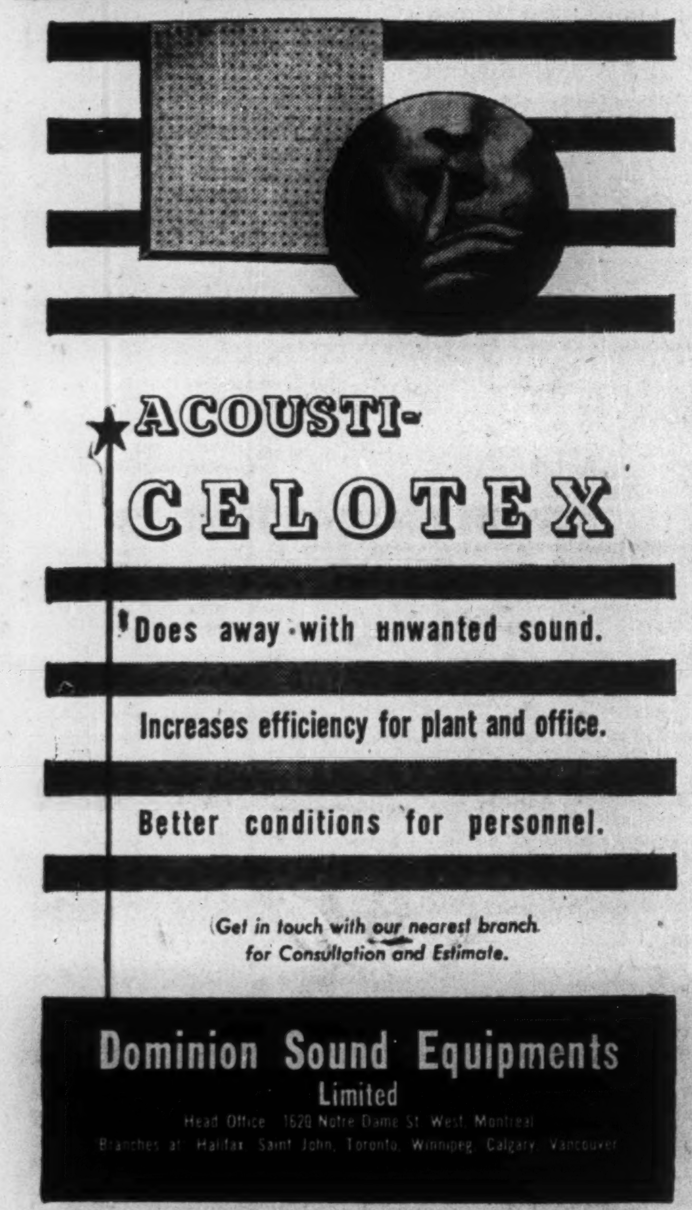
CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & bullion	$121,797	$101,108
Govt. bonds	60,162	171,762
Mine supplies	146,082	110,805
Total curr. assets	328,041	383,678
Prep. & def. chgs.†	12,502	32,212
Def. development	4,598	17,218
Deb. issue cost	200,000	200,000
Claims & props.	1,115,715	1,115,715
Plant & equip.▲	177,723	182,838
Total assets	1,838,579	1,931,656
Accts. payable	44,807	40,035
Taxes reserve	......	793
Total curr. liab.	44,807	40,828
Capital stock	2,026,811	2,026,811
Less: Deficit†	233,039	135,983
▲After depr. of	568,670	531,732
†Incl. ref. EPT of	2,169	2,169
Working capital	283,234	342,845

OPERATING STATISTICS

	1946	1945
Tons milled	92,731	66,120
Average recov.	$6.79	$5.49
Ore reserves, tons	42,584	38,055
Grade ($35 gold)	not stated	$5.67

DURHAM RED LAKE GOLD MINES is starting a 5,000-ft. drilling program on its property to follow up results recently secured in 10,000-ft. drilling job. Five gold-bearing structures were reported indicated in first drilling with No. 2 zone being traced for over 1,600 ft. in a series of 10 holes. New drilling will be concentrated on above and No. 4 zone.



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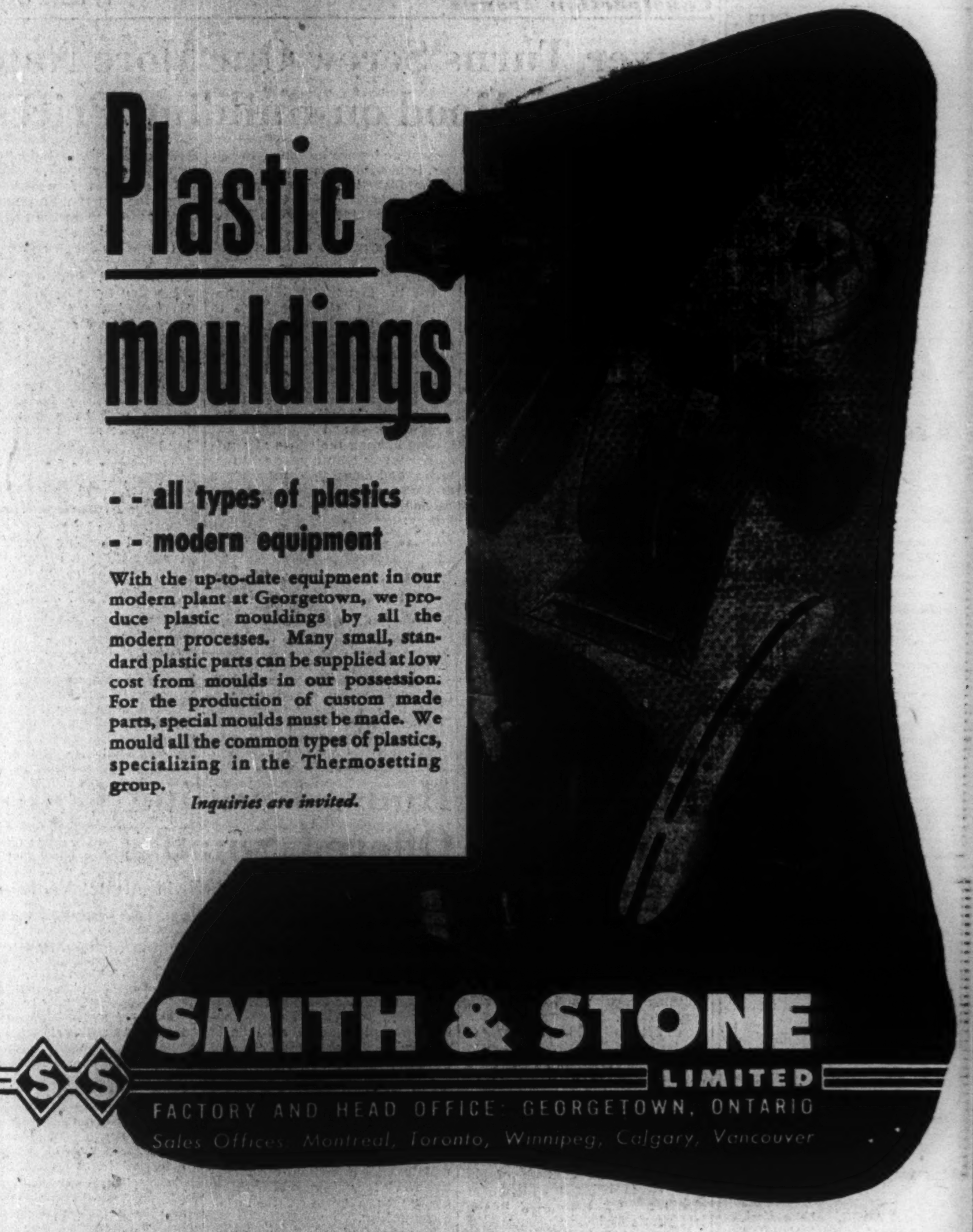
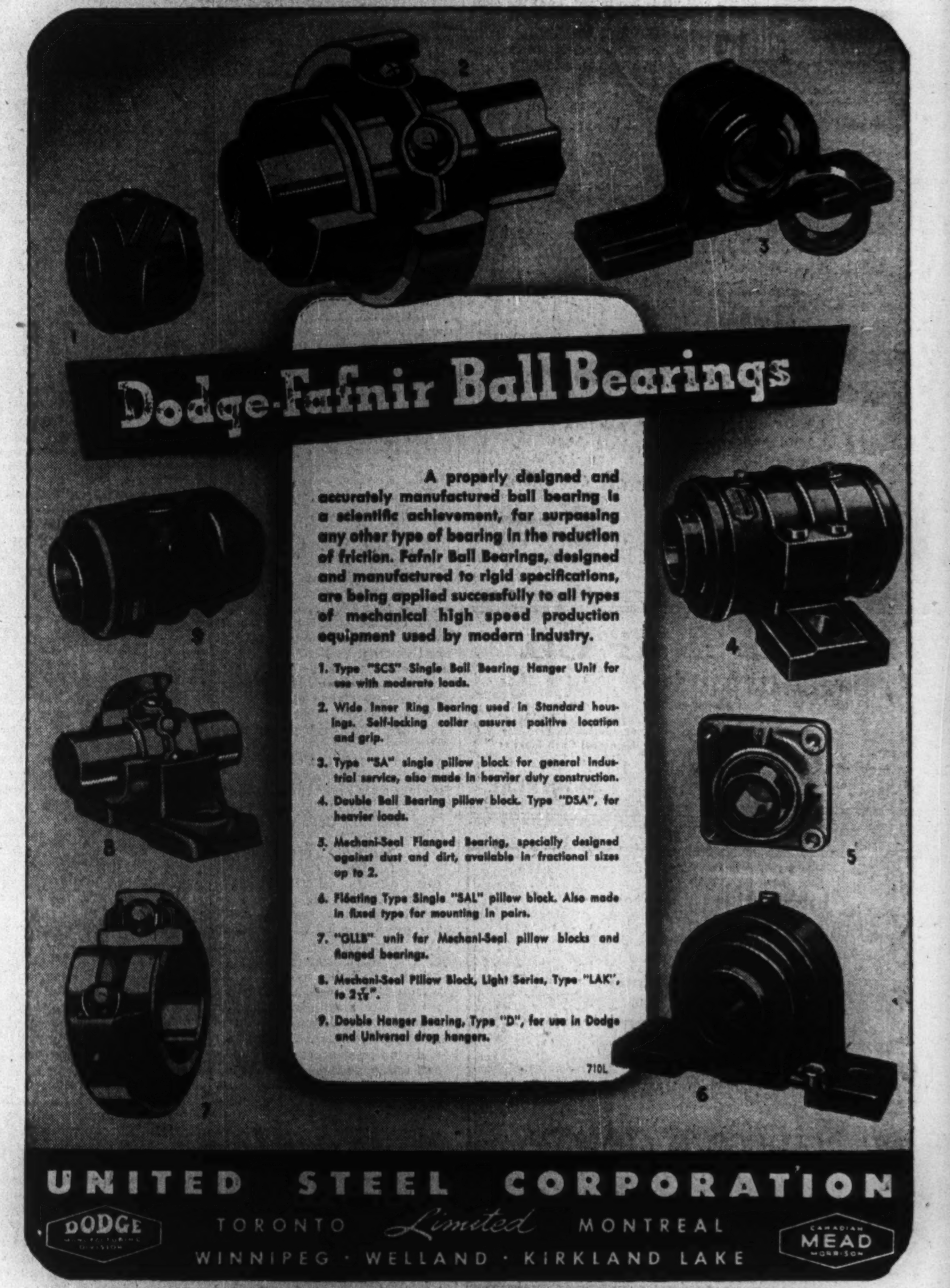
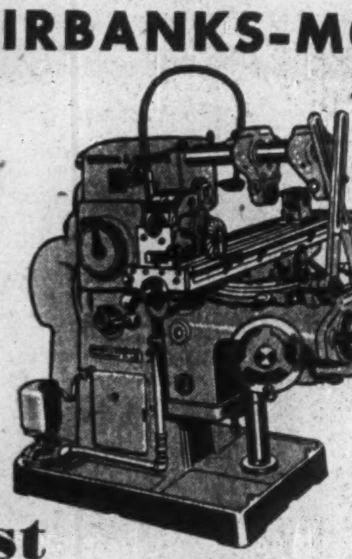




See
FAIRBANKS-MORSE



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War Veteran Enterprise

Household Houdini Does Unusual Jobs

The unusual is routine to Harold Gzowski, a Toronto veteran who served six years with the First Division. During recent months, he has had requests to deliver such varied items as a wedding cake, fortuneteller, tickets for the Stanley Cup hockey games, dogs, garbage, and even an English lady (with a capital "L"), and he has never said "No."

Perhaps Harold gets it "honestly." His grandfather, Sir Casimir Gzowski, built the first bridge to span the Niagara River, and a book was written about his unique services for the public weal.

Gzowski was a regimental sergeant-major, a "Red Devil" to the Nazis in Italy. Now he is fast becoming Toronto's household Houdini. One woman simply wouldn't dream of having anyone except their R.S.M. look after her precious love bird when she is out of the city. The little budgie is really fond of the six-footer who tidies up the cage and leaves fresh food and water.

The business operated by Harold Gzowski is similar to the services offered by some fellow-vets. However, where the others have more or less specialized jobs, Gzowski seems to specialize in doing any kind of job. Given to slogans, Harold prides himself on one that announces, "If You're Ill, Busy, Tired or Just Too Lazy—We're Not." He explains it this way: "When we returned from overseas, all we heard were complaints about the lack of service. I decided to provide it."

Had Small Start

On April 10, 1946, in a small room behind a hand laundry on Yonge St., Gzowski started up. He had a partner and two vehicles that passed as passenger cars. They had arranged to do a pick-up and delivery service for one butcher shop, a hat shop and some drugstores in the neighborhood.

But by the first birthday, the two passenger cars and the partner were gone and had been replaced by seven trucks, seven drivers, an office girl and a competent assistant. Headquarters for the business is now a two-story house on Soudan Ave. Five days after the birthday, Gzowski had acquired a jeep station wagon.

The results have been surprising, even to Gzowski. And sometimes embarrassing. On one occasion, a young married man phoned just before the regular closing time for stores. His wife and a new arrival were leaving the hospital that night. His wife had just discovered that none of her clothes would fit and needed a new dress immediately. Gzowski told him to stop worrying. He'd get a dress and deliver it. That night the wife's smile of approval turned to a look of dismay. When her proud husband handed her the dress, she recognized it instantly for what it was—another maternity dress.

When a woman received a letter from her son, an RCAF station commander in the West, informing her that he had invited a friend and wife to occupy the third floor of his parent's home while the friend was stationed at the air staff college, Gzowski got another frantic appeal. The son had casually mentioned that the couple would arrive in Toronto in two days—and the third floor needed redecorating. Within an hour, a painter, decorator and helper had arrived on the scene.

His assistant was in the office when one of the bigger businessmen telephoned. He was at the Toronto Transportation Commission building and on the verge of signing an important contract when he discovered he didn't have his glasses. "Don't sign anything till you read it over," he was advised. The contract was okay, but it wasn't signed until a driver from Gzowski's delivered the glasses.

When a woman received word that her son, daughter-in-law and their baby were going to visit her, Harold Gzowski produced the crib in which the youngster slept during the visit. When a mother was ill with the flu and her children were crying for their dog which had been taken to a veterinary's, Harold called for and delivered the pet.

He has provided a baby sitter for a home and later ice cubes and mixin's for the party attended by the parents. But his drivers, all veterans and married, claim the ex-R.S.M.'s biggest—and to them, most amusing—assignment, was the wedding.

The bride's mother mailed the cake from the West. Harold picked it up and found it hadn't been iced. Then came the next request, flowers for the bride and bridesmaids. Before Gzowski finished travelling between the florist and the wedding principals for consultations about colors, costumes and corsages he was mumbling about taffeta and tulle roses and gardenia gowns. Somehow the wedding was performed as advertised. Harold is still vague about the details but he certainly was present. "Do you know," he relates, "the groom was so excited he forgot to pay the organist and the sexton?" Harold dug into his pocket and delivered to the forgotten men.

Did he kiss the bride? Harold grins broadly. "Don't forget we call ourselves 'Red Patch, the First in Service,'" he replies.

COMPANY REPORTS

DOMINION DAIRIES sales increased 22.4% to $12,373,002 and net profits jumped 28.8% to $163,777 in year ended Mar. 31, 1947. Assets and businesses of Kensington Dairies and associated companies were purchased and have since been merged with operations of Elmhurst Dairy division. Purchase was financed through sale of $250,000 Series "B" bonds and 7,500 preferred shares.

Volume of sales was moderately higher compared to that of the previous year, President W. R. Aird, states. However, the higher purchase price of milk and cream, increase in wages and other operating expenses resulted in profits before taxes being somewhat lower than those of the preceding year. In Nov., 1946, an application was filed with tax authorities to have the Board of Referees ascertain the standard profits of the company, but no word has been received as to outcome.

INCOME ACCOUNT

Years Ended Mar. 31:	1947	1946
Sales	$12,373,002	$10,107,850
Net earnings	684,128	710,937
Less: Deprec.	239,415	175,672
Bond interest	116,156	166,552
Bond prem. (s.f.)	......	1,021
Income tax res.▲	147,764	236,535
Org. exp. w/o	10,317	10,317
Refin. exp. w/o	7,300	......
Add: Prof. on asset sale (net)	601	6,340
Net profit	163,777	127,180
Less: Pref. divds.	50,275	43,750
Surplus for year	113,502	83,430
▲Incl. ref. EPT	......	29,098
Times Bond Interest Earned:		
Before deprec.	5.89	4.31
After deprec.	3.83	3.25
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$5.04	$5.09
Incl. ref. EPT	5.04	6.25
Paid	1.75	1.75
Com.: Excl. ref. EPT	1.14	0.84
Incl. ref. EPT	1.14	1.13
None paid.		

CONDENSED BALANCE SHEET

As at Mar. 31:	1947	1946
Cash & Dom. bonds	$1,293,167	$1,323,876
Accts. rec.	291,526	369,795
Inventories	402,393	241,394
Total curr. assets	1,987,086	1,935,065
Invests. in affil.	333,711	267,129
Misc. assets▲	338,197	261,179
Fixed assets	4,450,808	3,674,813
Goodwill	500,073	500,073
Total assets	7,609,875	6,638,259
Accts., tax., etc., pay.	1,324,187	1,169,935
Accr. bond int.	36,875	68,181
Bonds due	75,000	......
Total curr. liab.	1,436,062	1,238,116
Funded debt	2,925,000	2,762,000
Deprec. res.	732,758	498,089
Other res	100,000	100,000
Capital stock	2,058,186	1,795,686
Earned surplus▲	357,869	244,368
▲Incl. ref. EPT	76,803	76,803
Working capital	551,024	696,949

W. K. WHITEFORD

president of British American Oil Co., has been appointed a director of the National Sanitarium Association.

Doctors Uniting To Buy 15-story Vancouver Bldg.

From Our Own Correspondent

VANCOUVER — Negotiations are under way by a group of city doctors to purchase the Medical-Dental Building, Horby and Georgia Streets, for a price estimated at well over $1 million.

The physicians had previously planned to erect a medical-dental building near the Vancouver General Hospital; but high costs of building and difficulty in obtaining materials led to cancellation of this project.

More than 100 doctors will take part in the company, and the 15-story building will be operated by a board of directors chosen from among the medical men.

Federal Revenue up 14% In April, Over Year Ago

OTTAWA, (Staff) — Federal Revenue from customs import duties soared 70% to $22.6 millions in April, reflecting the sharp upswing in import of luxury and other merchandise from United States. Receipts from all customs and excise duties were $57 millions, an increase of one third over April, 1946.

Total federal receipts for April were $177.8 millions, a gain of $21.6 millions or 14%. Of this, 60% or $105.8 millions came from income and excess profits taxes. This source of revenue remained almost identical with April, 1946, despite the fact that personal income rates were 16% lower and EPT had been cut meanwhile from 100% to 60%. Reason given for the maintenance of revenue was that more people were working at higher wages than a year ago, and that business profits were generally higher.

On the expenditure side, a number of important changes were recorded:

1. Tax agreement refunds netted the provinces $56.2 millions, thus raising the cost of federal compensation to the provinces to $59 millions ($3.8 millions in April, 1946).

2. Cost of national defense services dropped from $60.1 a year ago to $8.4 millions.

3. Veterans' Affairs spent $17.6 millions, a jump of 125%.

Net result for the month was a surplus of $42 millions against $26.3 millions in April last year. Total expenditure was listed at $135.8 millions. In addition, loans and advances of $10.5 millions were made to United Kingdom and other governments (last year $3.8 millions).

Saskatchewan Launches Tree-planting Campaign

From Our Own Correspondent

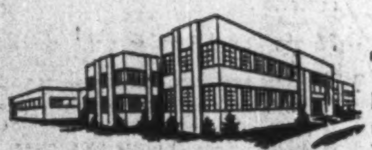
REGINA — Seeking to interest prairie municipalities in growing trees on waste lands suitable for no other purpose, Saskatchewan has launched an extensive tree-planting program in the southern part of the province.

First site selected is Caron, 20 miles west of Moose Jaw, where 48,000 trees are to be planted. Another 18,000 seedlings will be planted at Kenosee in Moose Mountain provincial park. Previously the only reforestation program in the south was the growth of individual shelter belts.

The Government plans to do the experimental work for demonstration purposes, and is prepared to aid municipalities on a co-operative basis.

CREATORS OF CONTINUOUS FORMS AND RECORDS

A Step in the Right Direction



THE small hand press in the home of Rolla L. Crain which constituted the founding of R. L. Crain Limited has long since given way to a battery of whirling presses. Thousands of continuous Kant Slip forms are produced every hour in the company's spacious new plant—another step in meeting the growing demand for faster, more economical record systems.

Supplementary services designed to develop the most efficient procedures in every type and function of business are available to you. Contact the Crain representative in your city to-day.

R. L. CRAIN LIMITED
OTTAWA CANADA
Branches in Principal Cities
Associated with
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Turning Wheels

Modern Industrial Investment is the generator of that energy which results in a prosperous economy.

Many corporate and private investors utilize our wide experience in security underwriting, trading and analysis.

The same personal service and sound unbiased judgment are at your disposal in the discussions, without obligation, of your investment problems.

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SIR OLIVER MOWAT,
Premier and Attorney General of Ontario, 1872 to 1896. First President of The Imperial Life.

Yes . . . Sir Oliver!

THERE WAS ROOM

"The projectors of The Imperial Life thought, in view of the great amount of life insurance business done and to be done in the future, that there was room for another Canadian Life Insurance Company."

Sir Oliver Mowat, at the First Annual Meeting of The Imperial Life, 1898.

IMPERIAL LIFE policyholders will smile at Sir Oliver's understatement. "Room for another Life Insurance Company" there certainly proved to be, as evidenced by The Imperial Life's position today. There is in force in the Company at the present time 1½ times as much insurance as there was in the whole of Canada with all companies at the time he spoke!

This year The Imperial Life Assurance Company has completed fifty years of business operations. Investments in Imperial Life policies by the public in 1946 reached an all-time high, both in numbers of policies, and total amount purchased. The development of the Company over the past half-century is shown by the following comparison:

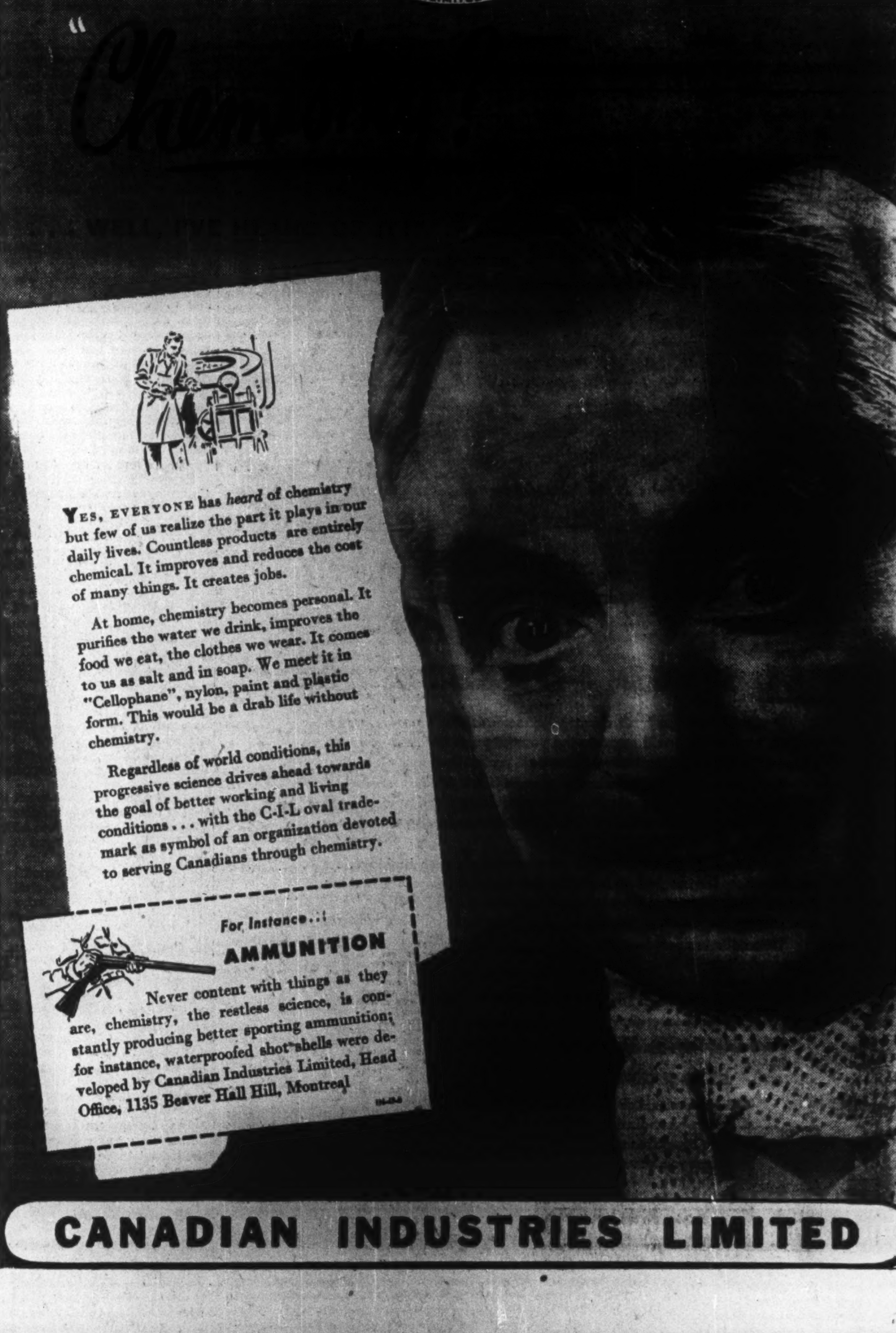
	End of Year 1906	End of Year 1926	End of Year 1946
Benefits Disbursed	$ 103,000	$ 3,236,000	$ 7,396,000
Assets to meet obligations to policyholders	3,332,000	40,124,000	137,775,000
Premiums and Interest in year	855,000	10,041,000	19,502,000
Insurance Purchased in year	2,930,000	37,110,000	60,786,000
Total Insurance in Force	19,254,000	218,230,000	437,330,000

Imperial Life

FOUNDED 1897 — 50TH ANNIVERSARY YEAR
Head Office: Toronto, Canada

SECURITY AND PROGRESS THROUGH HALF A CENTURY

SERVING CANADIANS THROUGH CHEMISTRY
C-I-L CANADIAN INDUSTRIES LIMITED



CANADIAN INDUSTRIES LIMITED

MUD-JACK

What is it? A mobile machine to pump "fill-material."

What does it do? Pumps "mud" under concrete slabs.

For what purpose? To increase the load bearing capacity of the slab, or if necessary, raise it to its original level.

Is that all? No. It has several other uses such as consolidating rubble fill under ground-bearing floors, and similar situations where voids need to be filled under pressure.

Is it practical? Yes. Proven by actual experience.

Is it expensive? Not in comparison with alternative methods.

Our experience and Equipment are at your service.

GUNITE AND WATERPROOFING LIMITED

Toronto MONTREAL Halifax

Greenshields & Co

Members Montreal Stock Exchange

Montreal Curb Market

507 Place d'Armes, Montreal

OTTAWA QUEBEC SHERBROOKE

Greenshields & Co Inc

Investment Dealers

507 Place d'Armes, Montreal

OTTAWA QUEBEC SHERBROOKE

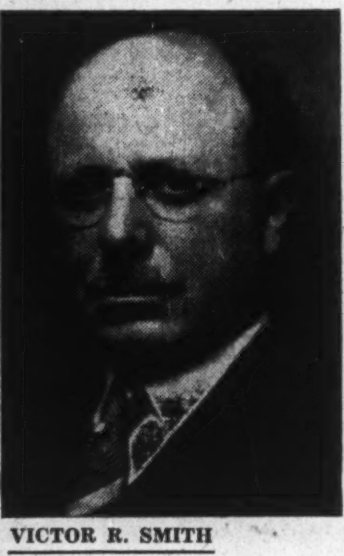
CCL Union Signs Unique Contract Members Liable for Illegal Strikes

Following is a digest of what is perhaps the most unique collective bargaining agreement in Canada in that for the first time, individual members of the union are personally liable for damages resulting from an illegal strike. The agreement is between M. D. Muttart Ltd., an Edmonton lumber firm and 90 members of Local 4 of the Amalgamated Building and Construction Workers (CCL):

Recognition: The Company recognizes the Union and the Bargaining Representatives chosen by it for "all employees" (except supervising and clerical) so long as the Union retains its right to elect or appoint Bargaining Representatives for said employees, pursuant to the Alberta Labor Act.

Discrimination and Intimidation: It is mutually agreed that no discrimination or intimidation of any sort will be practiced either by the Company or by the Union or the employees by reason of any activity, past or future, of any employee with or in respect to Union activities, or Union membership. The Union agrees that it will not in any way, directly or indirectly, either by persuasion or influence, or attempt to persuade or influence, any employee against the employer or will in any way attempt to discredit the said employer.

It is further mutually agreed that both the Union and the Company shall be entitled to advise all employees of their rights under The Alberta Labor Act, and in particular to point out the sections of the said Act protecting the employees from intimidation, compulsion, threats or otherwise.



VICTOR R. SMITH

of Toronto, president of the Confederation Life Association, has been elected a director of Dominion Fire Insurance Co.

Posting of Notices and Meetings: It is agreed that at no time will either party nor any of the employees, post or cause to be posted on the Company's premises any notices or lists unless and until the same have been approved by the Company. It is further agreed that no meetings shall be held upon the Company's premises without the consent of the Company having first been obtained.

It is further agreed that there shall be no talks or canvassing of any employee on or near the Company's premises. However nothing herein contained shall be deemed to prohibit employees, during the lunch and rest periods, from conducting private conversations which do not bother or interfere with other employees on the premises or prevent the shop stewards from performing their duties. The Company will permit the posting of notices of the time and place for the Union meetings on its premises.

Deductions From Pay: The Company agrees to carry out Section 83 of The Alberta Labor Act of 1947 (providing for the checkoff), and will deduct from the first cheque of each month the amount of dues or levies which may be authorized by the employee by order in writing by him, and will forward moneys so collected to the Financial Secretary of the Union.

Such an order shall continue in force until revoked by the employee, and all employees shall be notified of their rights, both to sign such an order or to revoke the same at any time after three months.

Wages: Commencing with the first payday after May 19, 1947 (employees) shall be paid a further 10 cents per hour as a cost of living bonus during the term of this contract, provided the official Dominion of Canada cost of living index remains at a point higher than 125. If at any time during the contract period of one year the index drops to 125 or lower, the 10c. bonus shall cease to be payable.

Hours of Work and Overtime: All the statutory requirements and regulations as to hours of work and overtime pay will be observed and furthermore it is further mutually recognized that whereas many of the employees are working only a 44-hour week, every endeavor will be made to prevent an increase unless clearly necessary. The Company agrees to discuss with the Union any necessary changes.

Holidays and Vacations: All employees covered by this agreement shall receive holidays with pay in accordance with the Alberta regulations. Sundays, together with the following statutory holidays, New Year's Day, Good Friday, July 1, Labor Day, Thanksgiving Day and Christmas Day, shall be recognized as holidays and work on those days shall be paid for at the rate of time and one half.

Management: It is agreed that the Company has the sole right to fix the qualifications required of employees, and to hire, promote, demote, transfer, suspend, discipline or discharge any employee and to fix age limits of employment subject to the right of the employee concerned to lodge a grievance. The Union recognizes the undisputed right of the Company to operate and manage its business in all respects and to make and alter from time to time, rules and regulations to be observed by employees, provided the same are not inconsistent with the provisions of this Agreement.

In the event of layoffs the Company agrees that subject to ability, suitability and fitness being equal, those employees having the longest service with the Company will be the last to be laid off and the first to be rehired.

Grievance Committee and Shop Stewards: Employees shall appoint a committee of seven shop stewards who shall constitute the Grievance Committee. All individual grievances, disputes or misunderstandings, including those of groups of employees which do not affect the employees as a whole and which pertain to matters covered by this Agreement, shall be discussed, adjusted and settled without stoppage of work.

Arbitration: In the event of a settlement not being reached disputes shall be referred to a Board of Arbitration comprised of one member appointed by the Union and one member appointed by the Company. These two shall appoint a third member who shall act as Chairman. The majority decision shall be final and binding on both parties. The cost of the third member of the Board shall be shared equally by the Company and the Union.

Time lost by employees during office hours over any discussions, negotiations or references held apart from the rest periods, shall not be considered as time worked and the Company shall not be bound to pay for the same.

Strikes and Lockouts: It is agreed by the Union and the undersigned employees and each of them that there shall be no stoppage of work or strikes during the life of this Agreement, and the Company agrees that there shall be no lockouts.

Further and specifically, the Union agrees that during the currency of this Agreement or any renewal thereof, it will at no time order its members who are employed by the Company out on any illegal or sympathy strike. The undersigned employees, and each of them, agree not to take part, join in, or support any illegal or sympathy strike or breach of this Agreement, and for the better assuring the Company against loss or damage by reason of the same, will make every effort to dissuade any employee from breaking the terms thereof and that none of us will participate in or support any such illegal or sympathy strike or other breach of contract.

It is mutually agreed that an illegal strike shall be one so defined by the Statutes or Department regulations of either the Provincial or Dominion Governments as may be applicable to the industry herein.

The contract is then signed by the Company and the following Union officials: president, financial secretary, business agent and two other members of the bargaining committee. Then follow the signatures of all the employees.

BCER Sparks Drive to Bring New Industries

From Our Own Correspondent

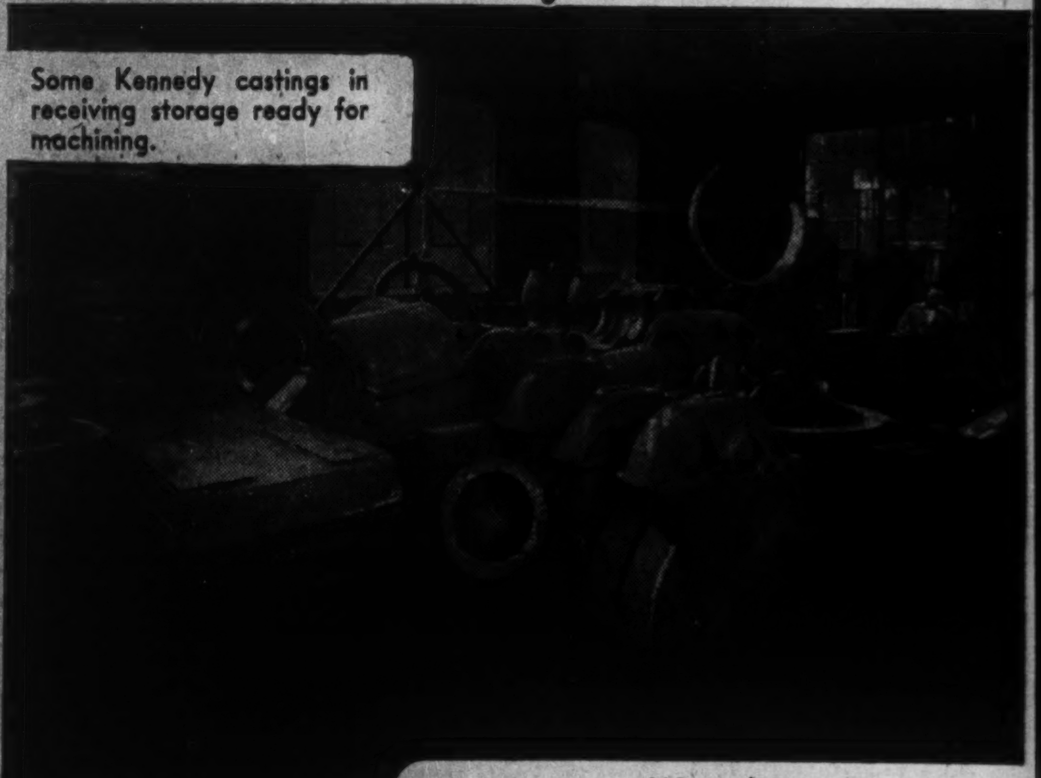
VICTORIA—During an active "Business Is Moving To B. C." advertising campaign of the B. C. Electric Railway Co. Ltd., under way less than two years, $20 millions in new capital, providing payrolls aggregating more than $5 millions, has come into the province, W. C. Mainwaring, BCER vice-president in charge of Vancouver Island operations, reports.

The advertising drive is only one phase of a plan developed by the company during the war years, Mr. Mainwaring said. Fundamental basis of the campaign is to promote the province's basic industries and its natural resources.

The campaign has featured a series of nine advertisements including such fields as Fortune and Time Magazines, The Wall Street Journal, The London Economist and many others.

The company lays no claim to being solely responsible for bringing any industry here, but feels it has influenced a considerable amount of capital to be invested here earlier than it might otherwise have been.

The BCER has connected 77 new industrial classifications from January, 1946, to the end of April this year. These include wood manufacturing plants, fish processing plants, general contracting plants, new farm units, service stations, all of which help to build up a strong background of secondary industry.



STEEL IRON BRONZE

We make CASTINGS

"KENNEDY CAN CAST IT" This book tells you about our facilities.

for mines, for shipbuilding, for industrial machine construction and maintenance.

We design, engineer and build MACHINERY

"MACHINE DESIGN AND CONSTRUCTION" gives you the picture of our services.

for pulp and paper mills, for cement mills, for rubber and leather goods manufacturers, and for general industry.

OUR 90th YEAR OF INDUSTRIAL DEVELOPMENT

THE WILLIAM KENNEDY & SONS LIMITED

OWEN SOUND, ONTARIO

STEEL FOUNDRIES AND ENGINEERING WORKS

HE'LL NEED FORESTS TOO!

If you look to the bush country for recreation or business, you'll realize how much it will mean to the youngsters of today if you help to save the forests for tomorrow. Above all, protect the forests from fire.

Ontario has been abundantly blessed with natural resources, which, if not properly protected, can be quickly exhausted. Every year, for example, thousands of acres of trees are destroyed because someone is not careful with fire.

Forests mean much more than a pleasant place to holiday . . . an attraction for tourists . . . shelter for game animals and fishing haunts. They mean more than a source of lumber and paper products, and jobs for thousands of people, vital as these are to national welfare.

Climate is tempered—extremes prevented—by forest areas. They store water too—help to keep rivers and streams from dangerous and costly flooding in spring time. They spread the flow of water more evenly through the year. That means they help to ensure a year-round supply of Hydro power for you.

Protect the forests. They serve you well.

SOME WAYS TO BE CAREFUL ABOUT FIRE

- *Break each match in two before you throw it away.*
- *Be sure your discarded cigarette is really out.*
- *Keep camp fires small, and always in a safe place.*
- *Before you leave, put the fire DEAD OUT with water.*

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO

IRMA WRIGHT

Five times Canadian Speed Typing Champion, World's Amateur Champion, and coach of Canada's National Typing Team.

"VASTLY ADVANCED IN PERFORMANCE"

says Canada's Premier Typist . . . and she knows!

Wherever this new Underwood goes to work, UP soar production and quality of work—DOWN drop operator-fatigue and typing costs!

Rhythm Touch makes pre-war typewriters obsolete—it's a radically new engineering development! Instinctively, fingers swing into a typing rhythm—*faster—quieter—feather-light*. Typing is effortless! Work is a picture!

Insta-Set Margin Controls, Double Touch-Tuning and a host of other *exclusive*, time-proved features are retained on the post-war Underwood—features that have won for Underwood official world records for speed and durability.

See it! Try it! And you'll buy it!

Underwood Typewriter

Outspeeds—Outwears—Outsells them all!

Underwood Typewriters — CANADA'S *7-OUT-OF-10 CHOICE

*According to Underwood Limited records

Spotlight on Small Business Firms

Management, Finance Prove Major Trouble, CED Reports

"Ninety-eight per cent of the firms operating in this country today are small businesses. They are the foundation upon which our whole system of business enterprise is built.

"Small business is more virile and more durable than might be deduced from hue and cry heard for many years as to disadvantages under which it labours. Nonetheless, small businesses are confronted with special problems and difficulties that are very real. It is vital to all business and to all citizens that conditions unfavorable to small business be remedied wherever possible."

With this introduction the Research and Policy Committee of the Committee for Economic Development of the United States this week reported on the place of small business in the U. S. economy. The report was presented by CED chairman Paul G. Hoffman, president of Studebaker Corp., and Raymond Rubicam, chairman of the Research and Policy Committee.

The Report states, in part:

Since the war, small business has, in most lines, been unusually vigorous and prosperous. It is estimated that more than 650,000 such businesses were started in 1946 in the U. S.—the largest number in any year. But the boom times of 1946 and early 1947 will not last forever. As the war-accumulated backlogs of demand are satisfied, as the supply of available goods increases, and as competition for markets becomes increasingly keen, the curve of discontinuances and failures will begin to mount. When business activity slackens, losses tend to increase more sharply for little business than for big business. In hard times the rate of failures is greater for small business than for large. A decline in business activity would send many of the new small businesses to the wall.

Problems of Small Business

To remain sound and to grow, business has to solve problems which mostly fall under one or more of these principal headings:

1. Management.
2. Financing and Taxation.
3. Competitive Opportunity.

The number one problem of small business is management. More failures are due to lack of skill in running the business than to any other single cause.

As a first step in broadening his knowledge a businessman needs some way of drawing on the experience of others.

Manufacturers and suppliers wherever possible should arrange to make available to their small business customers, service and suggestions on credit policies, accounting, merchandising, technical knowledge, research findings and similar requirements for good management.

Trade associations could possibly devote a larger portion of their efforts to programs of management training and guidance. They should make clear the particular needs and demands of their own line of business. National associations might work out general models of such programs that could be adapted to the needs of local communities or individual businesses.

Organized effort is needed in every community to mobilize business, educational and professional resources, to improve general levels of business efficiency and to promote high employment.

Careers in small Business

Management counselling and market research might well renew their efforts to devise counselling and services suited to and within the financial means of the small enterprises. Trade associations, chambers of commerce or other business organizations often may be helpful in working out such programs.

Universities, colleges and secondary schools could profitably give increased attention in their curricula to training for careers in small business. Courses and activities dealing with specific needs of smaller enterprises should be made available to night classes or extension services for those unable to attend regular school sessions.

To make possible further improvements in education for business, some basic research is necessary. Although practically all other major divisions of higher education have been surveyed at one time or another, thus far no fundamental study has been made of curricula for training in business. Research is needed to develop the factors which influence the decisions of individuals to go into business, to analyze the specific problems they face and to find what determines.

In times of prosperity most small business receives all the short term financing it can reasonably use. This short term financing comes primarily from the suppliers of goods and from the commercial banks. The problem of short term credit is that it may in fact be applied by the business man to the financing of long term projects and that inability to renew a short term loan when credit conditions become tighter may then prove disastrous. Small business needs more long term credit relative to short term and with it the assurance that its credit sources will not dry up in an emergency period.

In buying goods on credit, small concerns frequently find themselves at a disadvantage in that the supplier is reluctant to sell on terms as generous as those granted to bigger enterprises. Integrated big business, in its credit policies and practices should provide even-handed treatment in dealing with the independent businesses for whch it is both supplier and competitor.

The Committee recommends that the banking fraternity prepare an authoritative manual setting forth principles and standards whch help to determine the eligibility of business for specific types of loans. Such a guide should indicate to the client of the bank the accounting methods and other tests by which they may judge the type and size of the finance they require and tests by which they ordinarily expect to be judged as risks.

Taxation and Investment

In times past, private investors were often quite ready to provide capital for new businesses and for expanding small businesses. Nowadays, one finds growing reluctance to assume such risks. . . . As taxes are now levied, both with respect to personal income and business income, they undoubtedly seriously dampen the urge to invest in small or medium-size business. The investor is likely to seek bonds and securities of established concerns, rather than take the risk of loss when the compensating chances for profit after taxes are so severely reduced and the opportunities to offset losses are so sharply limited. Moreover, our tax system has seriously reduced the opportunities to increase equity funds from within the business, by plowing back earnings. Business is thus often forced to depend largely on fixed-interest obligations to suppliers, banks or other financial institutions to meet both its current and long-term needs, when its real need is investment funds.

It is the opinion of the Committee that the Federal Government should avoid subsidies, direct loans or unrestricted guarantees on commercial loans to business, except in periods of grave emergency. The Committee believes that it is important that our private financial system be enabled to meet the legitimate needs of private business under all ordinary circumstances.

This Committee favors tax reforms to change present provisions in our tax system that are harmful to all business. Many of these bear with special severity upon small business. The Committee does not advocate tax privileges in favor of small business as a special class.

The most serious financial need of small business—and indeed of all business—is for risk capital, and the soundest sources for such capital are individual savings and the plowing back of earnings in the business. The Committee does not believe, however, that it is in the public interest to invoke discriminatory taxation in favor of small businessmen for the purpose of forcing funds into particular channels. It recommends tax reductions and reforms that are beneficial to all enterprise, but that would be especially valuable in removing handicaps that bear most heavily on small business. The following proposals in no sense constitute a full tax program. They do present some long run suggestions that are of especial importance to small business.

Taxes Still Too High

(a) As rapidly as is consistent with the maintenance of high employment and production without further inflation, there should be a general reduction of both business taxes and personal income taxes. This is a prime necessity in order to free money for risk capital and to encourage investment in an extenson of business enterprise.

(b) Both corporate and non-corporate businesses should have the right to carry forward losses from business operations to apply against subsequent earnings for a period of six years.

(c) The tax burden should be equalized by permitting tax payers to average their income tax over a period of years (say five) to reduce present discriminaton against those with irregular incomes.

(d) Greater latitude should be given to both corporate and non-corporate business in making annual allowances for depreciation.

(e) Double taxation of corporate income should be eliminated, not only as a matter of fairness but also to stimulate the flow of funds into equity investment. The present discrimination against corporate profits is a serious deterrent to precisely the kind of financing that is most needed by small business — equity financing from internal or external sources.

It is to the long run interest of business, both small and large, to govern their actions so as to preserve a maximum of competitive opportunities. The free competitive market is the heart of the enterprise system. Some laws and regulations obviously are needed to prevent abuses, but every proposed law should be examined for its long term implications, lest the enterprise system be strangled in a net of legislation passed ostensibly to preserve it.

A price maintenance law or fair trade law, for example, can kick back. The law may for the moment control the competitor who sells below cost and force him to sell at the established price. But it also prevents retailers from competing on price and may place them at the mercy of the price union policy of the manufacturer, over which they have no control.

Discriminatory laws and taxes, also, are dangerous when used to encourage or penalize one form of business as against another. They tend to multiply and give rise to measures of retaliation. The success of one group stimulates others to seek similar action in their special interest. Such laws tend to choke off opportunity, stifle initiative. Law is no substitute for free competition.

American business has a primary obligation to undertake effective self-policing. A number of steps should be taken to promote equality of opportunity for all business and to strengthen free and fair competition.

Business firms should not be parties to collusive arrangements with other firms or with labor unions to limit competition or shut out new products.

Price concessions and allowances to large buyers should be exposed to the test of whether they are employed to freeze out small buyers.

Big business should avoid exclusive franchises, tie-in sales and other monopolistic practices which in many cases are clearly unfair to small business.

The growing problem of the acquisition of small and medium-size businesses by larger concerns should receive careful study. Recognizing the advantages for a healthy economy of widespread ownership of business, it has long been a basic part of our law to prevent such acquisition if competition will thereby be weakened.

In the field of labor-management relations, small business has many special problems and great advantages. In some cases, small business enterprises when unionized are at a disadvantage, particularly in dealing with large and powerful unions. On the other hand, in small enterprises we also find the nation's best examples of co-operative and harmonious union-management relations. It is important to note, however, that small businesses for the most part are not unionized.

Out of Canada's 28,483 business establishments in 1944, only 3,549 employed more than 50 persons. To that 87.5% which can be classified as "small" this report of the Committee for Economic Development of the United States presents facts and opinions of major importance. Here are some of the highlights recommended by the Committee and dealt with in this article:

***Management*—Training by colleges and universities, more research.**

***Financing* — Problem of long-term credit and equity capital, and sure credit sources; bankers prepare credit manuals and expand counselling services.**

***Taxation* — Reduction of personal and business taxes, and general taxing reforms.**

***Labor-relations* — Special problems, also advantages.**

Split is Hinted In Price Bros. Common Stock

MONTREAL (Staff) — Recent market flurry in Price Bros. common stock has started investment men here wondering what, if anything, is behind the current interest. Last week this stock was one of the 10 most actively traded on the Montreal Exchange. The stock moved up over $4 a share under heavy volume.

Adding fuel to the fire is the fact that a member of the London (Eng.) firm of Kitcat & Aitken is now visiting in Montreal. This firm was a member of the syndicate which purchased a large block of Price Bros. common in 1937. A director of Price Bros. tells The Financial Post that he has had several enquiries as to the possibility of a common stock split.

Investment men point out that if a stock split is contemplated, it would likely be for the purpose of getting wider distribution and thus more active trading in the common stock. This in turn would support larger market offerings of the stock, should holders of large blocks wish to sell.

Others, however, feel that present earnings of Price Bros. might have something to do with the market activity. It is estimated that current newsprint production of the company is close to 440,000 tons on an annual basis. By the rule-of-thumb estimate that newsprint companies will average $35 a ton profit production, such a rate would give the company net earnings of around $15.4 millions. With last year's deductions of around $2.2 millions for depreciation and depletion, bond interest in 1947 of $320,000 would leave estimated profit before taxes of $12.8 millions. If 50% of this goes for taxes, it would leave the net profit at around $6.4 millions. After preferred dividends it is calculated that earnings per share on the common would be roughly $11.31.

This estimate is, of course, based on newsprint operations alone. In addition, the company has an annual capacity of one million boxes and 90 millions board feet of lumber, and produces other specialty products.

To Traders and Investors

We offer traders and investors complete facilities for buying and selling listed and unlisted industrial, mining and oil stocks and Government, Municipal and Corporation bonds.

These facilities are exceptional because we are members of all Canadian Stock Exchanges and have fourteen offices from Montreal to Victoria directly connected by private wires.

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15 YEARS has made a BIG Difference

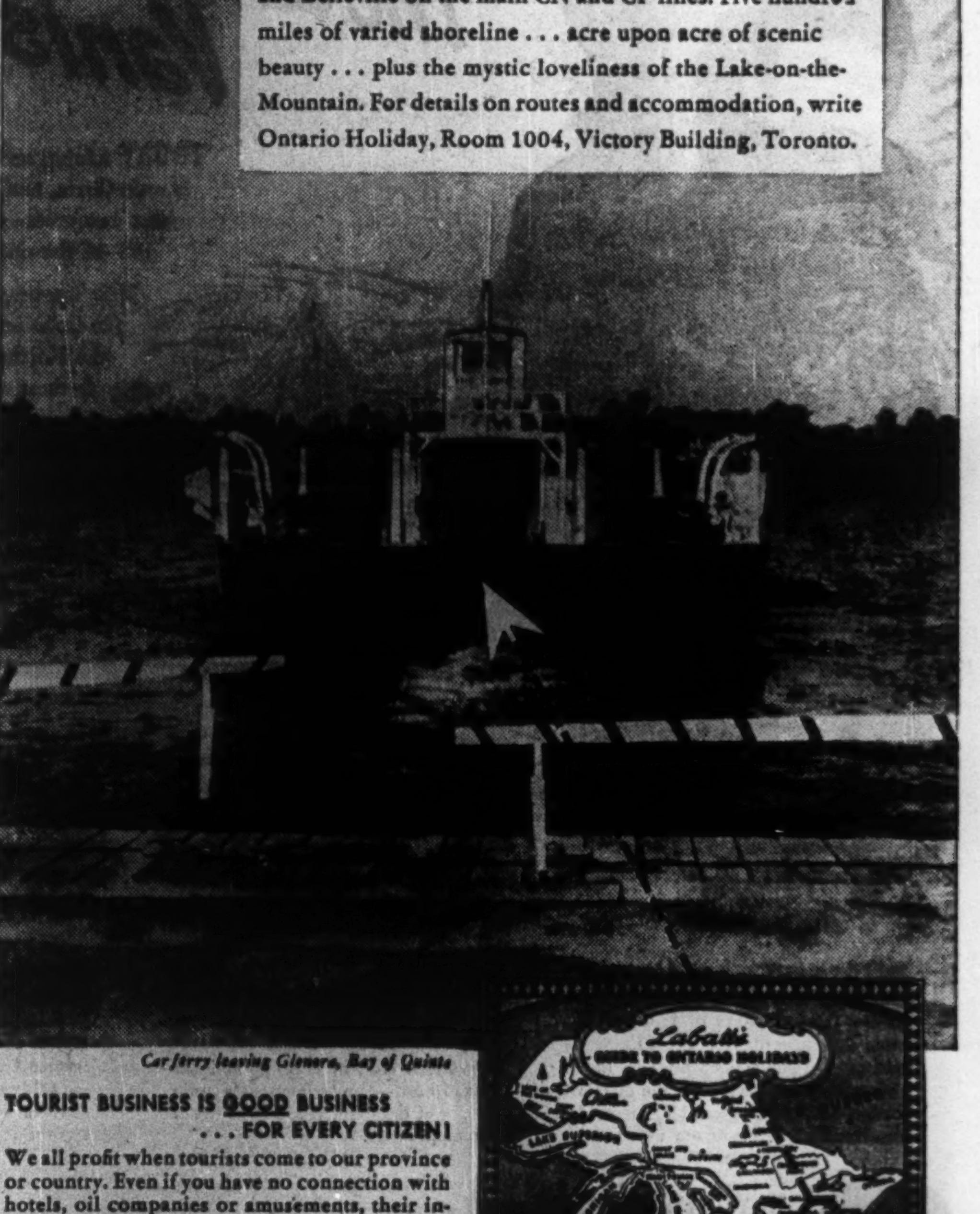
In just fifteen years, CKLW has grown to be Western Ontario's and one of Canada's most popular Radio Stations—the result of management well planned and carefully executed. We have always believed that our radio station must fulfill its obligation to accept leadership in matters pertaining to "public interest, convenience and necessity," and have tried to live up to our ideals of public service. Our programming and research staff has always been alert to changing conditions in the fast-moving field of broadcasting. Our entire staff has kept a keen awareness of what people want. This has been sympathetically reflected in their voice and actions.

That our ideals have worked well for everybody, is proven by our countless listener surveys and many enviable sponsor success stories!

CKLW
Canadian Broadcasting Corporation
Mutual Broadcasting System
Member of Canadian Association of Broadcasters
J. E. CAMPEAU, Managing Director
REPRESENTATIVES H. N. STOVIN CANADA - ADAM J. YOUNG JR. INC. U.S.A.

. . . in Quest of Quinte !

An enchanted isle . . . the answer to many a vacation problem . . . just a few hours' drive from Toronto or Ottawa, on the shore of Lake Ontario between Trenton and Belleville on the main CN and CP lines. Five hundred miles of varied shoreline . . . acre upon acre of scenic beauty . . . plus the mystic loveliness of the Lake-on-the-Mountain. For details on routes and accommodation, write Ontario Holiday, Room 1004, Victory Building, Toronto.



Car ferry leaving Glenora, Bay of Quinte

TOURIST BUSINESS IS GOOD BUSINESS . . . FOR EVERY CITIZEN!

We all profit when tourists come to our province or country. Even if you have no connection with hotels, oil companies or amusements, their increased business helps you. They and their employees have more money to buy your products or the ones your own customer sells. So it's in your interest to plan your holiday in Ontario, and to do all you can to encourage friends from other parts to come and share our Ontario Holidays.

"Let's make them want to come back!"

Labatt's

One of a series of advertisements about Ontario Holidays published in the public interest by John Labatt Limited

WHAT'S NEW IN BUSINESS

Portable Refrigerator

Freez-Pak weighs only 55 pounds; will provide ice cubes and cold storage this summer wherever there's 110-volt A.C. or D.C. power. Now marketed in United States, unit measures 22 by 28 by 16 inches, has aluminum inner and outer shells, requires no defrosting, and is supplied in eight colors.

* * *

Jet Outboard

Jet-propelled 3-h.p. outboard motor throws water rearwards at rate of five or six tons a minute to drive an average fish boat at three to eight miles an hour; can also be throttled down to trolling speeds. Canadian-made, unit operates silently, has no propeller to tangle in weeds, requires no oiling or greasing. Boat is steered or reversed by the jet. Larger models are planned.

* * *

Ready-lit Cigarette

Drivers need not take their eyes off road to obtain lighted cigarette. Just pull a small drawer in the dashboard; one cigarette rolls into position and is then automatically pressed against a self-operated, fast-acting lighting element. Two screws fasten 20-cigarette dispenser to dashboard.

* * *

Welds Magnesium

Unusual General Electric machine welds magnesium inside a bubble of helium gas, which is an inert gas of zero valency and hence does not unite with other atoms to form molecules. Its presence excludes other gases such as nitrogen and oxygen which, if allowed to contact magnesium at high temperature, would quickly burn.

* * *

Auto Wash

Mechanical automobile washer is said to be capable of washing, polishing, and drying a car a minute. Chicago makers say unit, requiring three attendants, will also handle panel deliveries and similar vehicles. Washer employs a series of brushes on which water is sprayed. Drier directs air currents which remove all water in way that leaves no streaks or spots. Finished appearance said to be that of a car that has been completely and carefully hand wiped.

* * *

Electrocutes Flies

Electric fly screen, easily installed in any door or window opening, provides 16 volts on contact, enough to kill flies and other insects but harmless to children or household pets, according to New York manufacturer. Adjustable transformer electrifies the killing grid by means of a low amperage current. Efficiency, sanitation, and economy are claimed as advantages.

Manufacturers of products that are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field.

* * *

CO Indicator

One part carbon monoxide in 500 million of air changes color of chemicals in a sensitive indicator to be manufactured in United States. Humans aren't affected unless concentration rises to one part in 10,000. To use indicator, break tip of pencil-sized tube of chemicals, insert one end in rubber bulb, and draw air through chemicals.

* * *

Garbage Machine

Household incinerator takes two bushels of garbage at a throw; can be fitted to burn with either gas or electricity. Air drawn down through refuse dehydrates it. When the can's contents reach a degree of dryness to support combustion, burning is started by pilot of heating unit. Because garbage burns from the top down and air is always drawn through it, no odors or fumes escape. Manufactured in United States.

* * *

Folding Trailer

Trailer weighing 175 lb. has holding capacity of 1,500 lb.; designed to fold into any small storage space. The unit, kept in exact position by barrel locks, has welded steel frame body, plus plywood decking and side walls.

* * *

Movie Recorder

Use of magnesium alloy permits production of sound recording equipment for motion pictures weighing only one fifth as much as pre-war equipment. In Chicago, RCA recently unveiled to producers two new 35-mm. recorders, a 16-mm. recorder, a unit-construction rack, new light microphones, and current models of an RCA 16-mm. projector and a Brenkert 35-mm. projector.

* * *

Breathing Apparatus

Wearer of self-contained breathing apparatus is independent of outside air for a minimum of 45 minutes; creates own oxygen in replacable canister through reaction with wearer's exhaled breath, thereby assuring an oxygen supply in exact accordance with his varying breathing requirements.

* * *

Magnetic Town

Model village is set up on table six inches high. By moving magnets underneath, kiddies send automobiles to "store" and "garage," etc. Game can be used on floor or on convalescent's bed. Chicago makers also offer magnetic airport.

* * *

Photo-electric Engraver

Thirty direct photo-electric engraving machines, ready for use in September or October, will be field-tested in newspaper offices of all sizes within 100 miles of New York. Machines will probably be available later on a leasing arrangement, first for newspapers but later for entire graphic arts industry. Quantity production expected early in 1948.

* * *

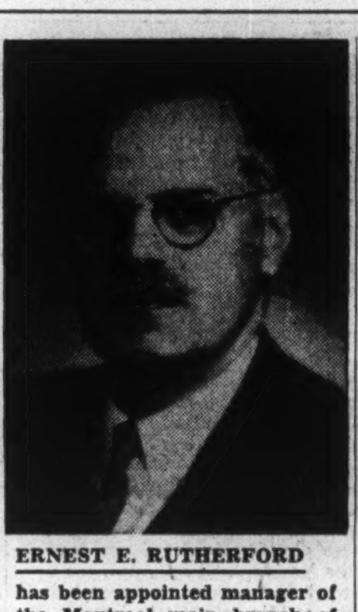
Radio Ailments

Five-inch oscillograph with a special phasing control has been developed by Cleveland manufacturer for use in tracking down troubles in receivers. Unit offers accurate visual analysis of the wave shapes of television, FM, and AM signals; can amplify and show very weak signals; is also applicable for determining unknown frequencies.

* * *

Ornamental Stone

"Tiger Eye," once considered a semiprecious gem and sold by carat, is offered in United States by the pound in quantities as high as 10 tons. Besides jewellery uses, stone has possible future as a medium for ornamentation. Ease of handling and ready adaptability to the lapidary's, stonecutter's and finisher's art make it an economical medium of decoration, according to Jersey City firm.



ERNEST E. RUTHERFORD

has been appointed manager of the Montreal main branch of the Bank of Montreal; was formerly superintendent of the Quebec, Maritimes and Newfoundland district.

Nylon Output Above Demand

MONTREAL (Staff) — Canadian Industries Ltd. reports recently that production of its Kingston nylon plant is being cut back from 180,000 pounds a month to 150,000. Rapidly expanded output of nylon yarn the last few months has surpassed the rate at which it can immediately be absorbed, Works Manager F. G. Raymant states.

The plant will continue to run full-time at a reduced rate, with day workers on a 40-hr. week instead of a 44-hr. week; shift workers on a 42-hr. week in place of the former 48-hr.

The present cutback in production does not represent a reduction in demand. It is rather that finished goods inventories which have been building up over the past few months, are now being reduced to normal.

CIL explains that "the temporary cutback is a direct result of the time lag required between the time yarn becomes available for new uses and when all the necessary development work has been done in converting it to marketable merchandise in new applications." In other words, the material manufacturers have not yet caught up in technical know-how to the present rate of yarn production.

Textile Trade Sees Trouble Around Corner

Retail Stores Cut Buying —More Cottons, Rayons Arrive From U. S.

MONTREAL (Staff)—Is Canada's textile industry heading into rough weather? Some signs point that way.

Canada's sole nylon manufacturer recently cut back production substantially. Retail stores are estimated to be buying only about a quarter of cotton and rayon goods they were purchasing this time last year. Cloth manufacturers, wholesalers and retailers all say that U. S. goods have been arriving in quantity.

One thing appears certain—shakedown time is around the corner, if it has not already arrived. Responsible men in the industry tell The Financial Post that the next few months are likely to see many fair-weather travellers fall by the wayside. These are the wholesalers and small manufacturers which spring up when supply and demand were so far out of balance that anything would sell, it is stated.

Generally, the situation on textiles, cotton and rayon particularly, appears to be covered in the following statement of a textile man:

"Stocks in the distributory division of the textile industry are growing steadily. There might be some slight tendency toward resistance developing, but it is nothing like conditions in the United States. Nor is it likely to reach such proportions. Consumer resistance to prices here will not be as sharp as in United States because Canada has retained a moderate price level—something they are clamoring for south of the border."

Weather Hits Sales

Unseasonable weather has held back retail sales of such items as women's and children's summer dresses, sport shirts, bathing suits, etc. Stocks on most of these items are plentiful, it is said here. Men's shirts can be seen on the counter and not under it. The cutback in nylon production is at least partly due to heavy inventories at the wholesale and retail level.

Additional evidence that textile stocks are piling up is to be found in WPTB's accelerated decontrol program with respect to cotton and rayons. Announcements from WPTB offices have been coming thick and fast over the past few weeks, cutting subsidies, permitting markups or lifting controls entirely. Base price for raw cotton has been moved up 2.8 cents a pound, while no subsidy was put back on when imported rayon yarns increased 20% to 30% in price. While part of this is due to the Government's cost-cutting program, a bigger part is caused by increasing supplies of controlled items, it is claimed.

The increase in textile inventories is attributed to two causes: (1) production generally is catching up with the man; (2) retailers and consumers expect to see prices drop this year. One department store head told The Financial Post that there was a pronounced buyer resistance to high-priced goods right now. Retailers are taking a short-term inventory position which has left clothing manufacturers and wholesalers with goods on their hands. For the present the primary producer has not been greatly affected by the "go slow" policy of retailers.

Reflection Of U. S. Slump

Part of the belief that prices will come down stem from statements of both United States and Canadian Governments that "prices must come down." A more valid reason for the expected price decline is the mild slump which has already hit United States textiles.

This has resulted in United States textile goods being unloaded here, it has been stated. One fabric manufacturer here told The Post that an Australian buyer had purchased cloth in New York for 65 cents a yard, marked down from $1.25. Much of this material has arrived in Canada, as is evidenced by the extensive use of the "imported from United States" slogan.

In the over-all picture it appears that textiles have been the first to get back close to a normal supply-demand condition. Whether the present trend will develop into a full-fledged slump will remain to be seen. Most textile men say no—but think that there may be selective cutbacks both in production and demand. It is generally agreed, however, that competition will be much stiffer in the second half of 1947 than any time since before the war.

CONSOLIDATED CENTRAL CADILLAC MINES says that construction and rehabilitation work at the crusher plant and in the mill is rapidly nearing completion. Partial results from diamond drilling carried out from drill stations on the 500-ft. level and from the east end of the 750-ft. level are as follows: Hole UG 680W returned $18 across 2.5 ft.; hole UG 681W gave $15.93 across 3.7 ft.; hole UG682W ran $41.42 across 3.8 ft. and $6.65 over 1.2 ft.; hole UG683W returned $7.75 over 7 ft.

Underground drilling has substantially increased the indicated tonnage of vertical sulphide iron formation ore between the 750- and 500-ft. levels, Consulting Engineer Theo Koulomzine states.

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QUEBEC HYDRO-ELECTRIC COMMISSION

To the holders of the following Series of First Mortgage and Collateral Trust Sinking Fund Bonds of

MONTREAL LIGHT, HEAT & POWER CONSOLIDATED

the 3½% Series due February 1, 1956;
the 3½% Series due May 15, 1960;
the 3½% Series due July 1, 1961;
the 3½% Series due January 1, 1963;
the 3½% Series due January 1, 1973;

NOTICE OF INTENTION TO REDEEM ON JULY 1, 1947

MONTREAL TRUST COMPANY, in its capacity as Trustee under the Trust Deed of Hypothec, Mortgage and Pledge executed in its favour by Montreal Light, Heat & Power Consolidated on February 1, 1936, and deeds supplemental thereto, and pursuant to instructions received by it from the Quebec Hydro-Electric Commission by virtue of the Act of the Legislature of the Province of Quebec 11 George VI (1947) chapter 39 and in conformity with the provisions of the said Act, hereby gives notice that it intends to redeem and will redeem on the First day of July, 1947, the whole of the Bonds of MONTREAL LIGHT, HEAT & POWER CONSOLIDATED of the following Series now outstanding under the said Trust Deed and supplemental deeds, to wit,—

the First Mortgage & Collateral Trust 3½% Twenty-Year Sinking Fund Bonds, due 1st February 1956;

the First Mortgage & Collateral Trust 3½% Twenty-Year Sinking Fund Bonds, 1960 Series, due 15th May 1960;

the 3½% First Mortgage & Collateral Trust Sinking Fund Bonds, 1961 Series, due 1st July 1961;

the 3½% 25-Year First Mortgage & Collateral Trust Bonds, due 1st January 1963; and

the 3½% First Mortgage and Collateral Trust Sinking Fund Bonds, 1973 Series, due 1st January 1973.

The Bonds of the above Series will be so redeemed on the First day of July, 1947, in lawful money of the Dominion of Canada, upon presentation and surrender thereof for payment at the principal office of THE ROYAL BANK OF CANADA in the City of Montreal or, at the option of the holder, at the principal office of the said Bank in the City of Toronto, Canada, at the following prices then respectively applicable thereto under the terms of the said Trust Deed and supplemental deeds—

the 3½% Series due February 1, 1956, at par with a premium of 1¼% thereon;

the 3½% Series due May 15, 1960, at par with a premium of 2¼% thereon;

the 3½% Series due July 1, 1961, at par with a premium of 2¼% thereon;

the 3½% Series due January 1, 1963, at par with a premium of 3% thereon;

the 3½% Series due January 1, 1973, at the principal amount thereof

together, in each case, with interest accrued to the First day of July, 1947.

Coupon Bonds of the 3½% Series due July 1, 1961, January 1, 1963 and January 1, 1973, respectively, should have attached thereto, at the time of surrender for redemption as aforesaid, the interest coupon appertaining thereto due on July 1, 1947, and all subsequently maturing coupons. The Coupon Bonds of the other Series hereby called for redemption must be surrendered with all interest coupons appertaining thereto which would mature after July 1, 1947.

Interest accrued to the First day of July, 1947, upon Bonds registered as to principal and interest will be paid to the respective registered holders thereof at the time of surrender of such Bonds for redemption. Interest payable on Bonds registered as to principal only will be paid to the respective registered holders thereof upon surrender of such Bonds for redemption with the relative coupons for interest thereto attached.

AND NOTICE IS HEREBY FURTHER GIVEN that, in case the Bonds of the various Series hereby called for redemption are not presented for redemption on the said First day of July, 1947, interest upon the said Bonds will cease to accrue from and after the said date, and the coupons for interest upon coupon bonds maturing after the said date will become and be void.

DATED at Montreal this 28th day of May, 1947.

MONTREAL TRUST COMPANY, Trustee.

Today we Live in a Greater Canada

TODAY mining and industry push forward to the Arctic Circle, as Canadian initiative develops the vast resources—the minerals, waterpower and oil—of the one-time wilderness.

New war-time transportation facilities ended the isolation of millions of square miles of the Northwest. The airplane brought the farthest corners of our country—inaccessible for centuries—within a day or two of the cities of the continent.

That northward expansion is typical of modern developments which are stimulating all Canadian activities today, creating new and greater opportunities in every field of endeavour.

Until the present century the story of Canada's North was an epic of exploration—from the days of Elizabethan seamen seeking the Northwest Passage and the old fur traders pushing into the wilderness, down to the Arctic journeys of Stefansson and Bernier and the Mountie patrols of our own time.

Greatest single factor in Northland development was the airplane. It made possible the most significant mining discovery in the North—when, at Great Bear Lake in 1930, pitchblende was found—the continent's only source of uranium, vital ingredient of the atom bomb.

The war brought new activity to the North, and the creation of great new lines of transportation and communication—the Alaska Highway and the famous Air Staging Routes—with landing fields and radio and meteorological stations established throughout the territory.

DAVID HENDERSON started his own business in Montreal when only 17, and displayed an energy and integrity in surmounting early difficulties which won him the friendship and support of his suppliers and bank manager. After achieving success as a jobber he commenced the manufacture of felt hat shapes in an old windowless building. Today his Beacon Products Inc., in its new up-to-date Valleyfield plant, is considered one of the most successful plants of its kind in Canada.

MR. HENDERSON says: *"No other country offers such opportunities as does Canada to young men who have ideas and the determination to back them up. Here, if their plans are sound and they know their business, they will find plenty of help and encouragement and every assurance of success."*

ONE OF A SERIES PRESENTED BY

Molson's

TO PROMOTE A FULLER REALIZATION BY CANADIANS OF CANADA'S PRESENT GREATNESS

The Financial Post
Vol. XLI Publication Office: Toronto, June 14, 1947 No. 24

Britain Transplants Industry From Slag Heap to Green Valley

By KENNETH R. WILSON

Canadians have long heard about Britain's "depressed areas," also about plans long since laid for their regeneration. On my recent visit to Europe and the United Kingdom I went over to Wales to see at first hand the workings of this drive to shatter once and for all the notion that huge areas in Britain are doomed perennially to be industrially "depressed."

Hundreds of thousands of new jobs are being created in what used to be called "depressed" areas. By skilful use of salesmanship, subsidies and building priorities, Britain is transplanting scores of industries into places where labor is plentiful and jobs are now scarce.

For years I had heard about this "depressed area" program in Britain. I wondered what lessons (if any) it held for Canada in dealing with her own acute geographical employment problems. More specifically, I wondered if there was any lesson here for helping solve Maritime and especially Cape Breton industrial headaches — headaches which seemed (as in Britain) to spring in part from too great concentration of labor in areas where industrial opportunities were few and far between.

Recently I visited the famed Rhondda coal mining valley in Wales to see at first hand how Britain was getting along with her sweeping plan to transplant light industry into this historic area. I was amazed at the results to date.

Among Mountains of Slag

To get the picture, imagine mile upon mile of grey-green hills rising out of valleys where for centuries the chief product of man's toil had been coal. As you drive along winding roads you see to right and left the endless man-made hills—slag heaps—thrown up over the decades and blotting vision, an ever-present reminder of days blighted by poverty, joblessness and despair.

But all at once you come upon a giant bulldozer tearing away at the slag heap, and restoring the natural contour to the valley.

Where the bulldozer has already done its work, there sits a brand-new spick-and-span industrial plant—efficient, attractive, modern. Inside they are likely to be turning out anything from cameras to cosmetics—an industrial miracle for a community which for centuries has known little beyond the grimy treadmill of the pithead.

How is this all accomplished?

This particular South Wales area which I visited, is but one of half a dozen "development area" programs under way throughout Britain. The program started after the depression of the thirties. It was known then as the "Special Areas" program. There were originally four special areas: North Eastern, West Cumberland, Scottish and South Wales.

Total population of these areas in 1939 was about 6½ millions. This was one-seventh of the population of Britain. It covered some 2¼ million insured workers.

Since then, two more areas have been added: the Wrexham district of North Wales and the Wigan and St. Helen's districts of South Lancashire.

Centres of Unemployment

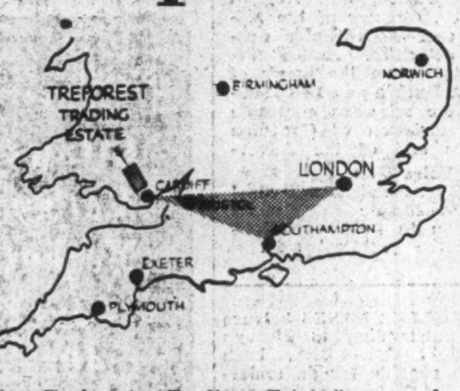
Even during years of recovery after the depression of the thirties, unemployment ranged from 23% in the Scottish area to 33% in West Cumberland. This compares with 14% over Britain as a whole. Put another way, there were 500,000 people unemployed on average in the Development Areas during 1934-38. This represented a concentration of nearly one third of the total unemployment of Great Britain in areas in which only one seventh of the population lived.

Groundwork for industrialization was laid by means of "Trading Estates." These followed the pattern of the initial Slough Estates Ltd., which turned a dump for surplus war stores into a new industrial area after the war of 1914-18.

Thus in 1935-36 when the U. K. Board of Trade found that lack of premises was a major deterrent to location of industry, in areas where adequate labor was available, they authorized the Commissioners of the various Special Areas to form limited liability companies to select, purchase and develop agreed industrial sites, build and rent factories and generally to manage "trading estates" for these purposes. The projects were to be financed by way of loans from the Government. Directors (with the exception of one in each case to be nominated by the Treasury) where to be elected by the sponsors and signatories of the articles of association, rather than by the Government. None were paid. Each company was to be a non-profit making organization which would enter into an agreement to pay interest on the loans made to it by the Government.

Given Wide Powers

Subsequently, in June, 1945, the Government passed the Distribution of Industry Act. This gave wide extension to the original program. It designated the Trading Estate Companies to be the "instruments of government" in a building and expansion program under which:



The Treforest "Trading Estate," one of Britain's industrial developments for depressed areas, is on the point of the Cardiff-London-Southampton industrial triangle.

The Board of Trade could acquire land, by agreement or compulsorily, for industrial premises.

It could authorize on any land owned in a development area, the erection of factories and other ancillary buildings, including houses for key workers.

Various departments of State were given powers to provide special assistance for improvement of basic services—communications, lighting, heating, power, water, health, housing, etc.

The Treasury was authorized to give financial assistance to industrial undertakings in the areas to meet capital requirements.

The Board of Trade was given power to acquire and clear derelict land or give financial assistance toward its clearance.

These trading estates were also to have charge of the conversion into peacetime production of Royal Ordnance factories.

Without attempting to draw conclusions as to the operation and success of the trading estates and development areas in other parts of Britain, some comment on what I found in the Rhondda Valley in South Wales is in order.

Statistically, the results may best be summarized by the following figures.

New industrial projects already approved in this area call for employment of 144,000 men and women.

This compares with total present male employment in the coal mines of 110,000.

Put another way: 125,000 more factory jobs have been found in this area than there were in 1938.

Hit By Material Shortages

There is still a considerable gap between new factory commitments and those actually in operation. How much this is due to shortage of materials, etc. and how much to Government "red tape" I do not know. There has recently been some press criticism as to the slowness of construction, etc. But every building project has been hampered by material shortages. Over-all, the figures I was given last month on the South Wales development are as follows:

South Wales Development Area

	Privately financed plants No.	Privately financed plants Area (sq. ft.)	Gov't. plants for rent to industry No.	Gov't. plants for rent to industry Area (sq. ft.)
In Operation ..	13	165,000	11	204,000
Near Compltn.	11	333,000	9	336,000
Steel Stage ..	12	1,500,000	35	1,500,000
Foundations ..	10	218,000	62	2,130,000
Total	46	2,216,000	117	4,170,000

The above table brings up another very important point: that close to three quarters of plants in the South Wales area are government-financed. Only one quarter are being built by private enterprise.

Those that are private enterprise, include some of the most important new industries in Britain today. There is the huge British nylon plant with close to a million square feet of floor space. There is the new Hoover factory (presently just a steel skeleton) where the company plans to manufacture an electric washing machine constructed on an entirely new principle. This is described as a very small machine, very speedy and efficient, and to be the lowest priced electrical product on the market. The company hopes to begin production on this machine in the third quarter of the year. It has exclusive rights for the world (except North America) and non-exclusive rights in Canada and Mexico. It looks forward to a very substantial export market.

Chief attraction for these privately financed properties is two-fold:

(1) these development areas carry high priority for government license and building materials in respect of new industrial expansion.

(2) these are the areas where labor is relatively cheap and plentiful. Much of this labor is presently inexperienced and must be trained, but the expectation is for lower labor costs in those areas over the long-run.

To these advantages, the Government adds a third and very powerful one in the properties which it constructs and leases to private industry under the various Trading Estates: government subsidy.

Get Cheap Rental

As nearly as I could ascertain, the chief subsidy presently consists of a rental based on 1939 instead of 1947 costs. This means, I was told, a rental of a shilling a square foot compared with present-day building costs of at least half a crown (two shillings and six pence) per square foot.

The leases are for 21 years but there is provision to increase the rental during the life of the lease. It is argued that such low rentals are necessary to overcome the psychological prejudice of light industry toward an area such as Wales. There are also extra operation, distribution and other costs compared with more strategically located plants in London and the Midlands.

What impressed me especially was the enthusiastic salesmanship which managers of these Trading Estates merchandise their particular areas.

I brought back a sales brochure of the Treforest Trading Estate which I visited near Cardiff. Any North American Industrial Commissioner would have been proud to have produced such a sale piece; and eager to visit the area after he had read it. In short, there is a wealth of community pride and enthusiasm being put behind these individual projects rather than letting them rise or fall on the mere factual basis of government aid.

Thus Treforest boasts that it is not only "the industrial centre of the South" but gives first place in its sales talk to such comment as: "Golfers' Paradise—twenty courses are within reach, including the famous Royal Porthcawl." The local Lord Lieutenant of Glamorgan, enthuses that it possesses "within easy reach, everything that is needed for a modern industrial centre—open country, ready access to every kind of sport, links with social activity and the arts, and proximity to some of the most beautiful country in the British Isles."

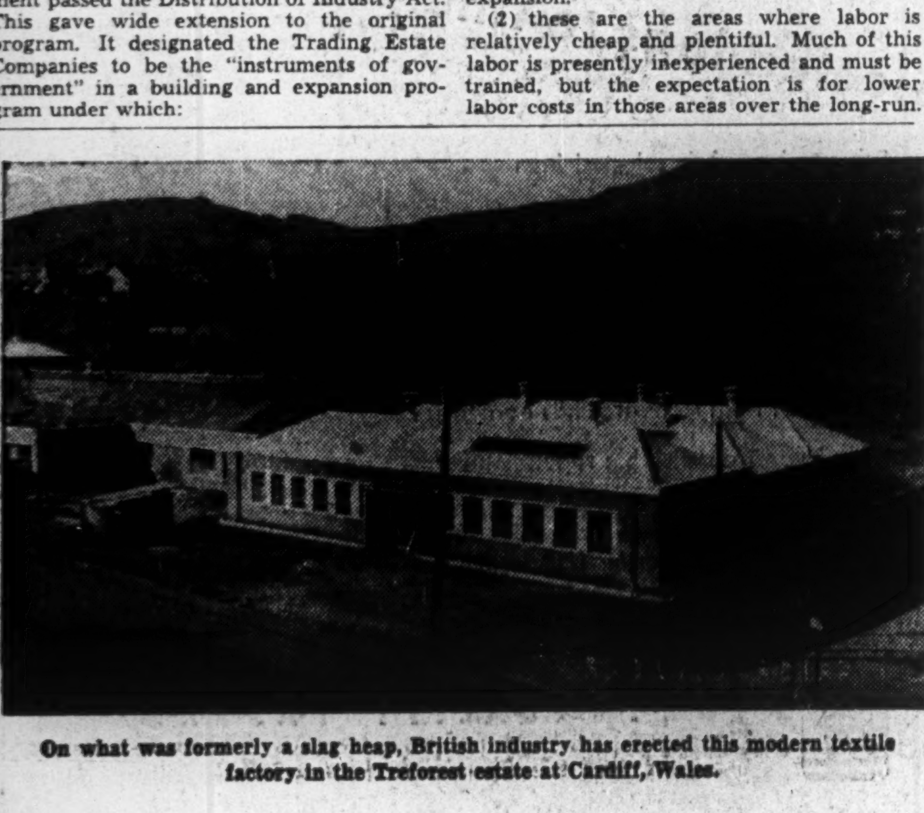
The office buildings themselves are modern and very attractively built. Their cream and green layout fits in with the Welsh countryside and provides a welcome and striking contrast to the traditional drabness of the mines. Plants immediately around the Treforest Estate offices, give work to 8,000 people drawn from an area of about eight miles.

One difficulty encountered is to get sufficient heavy or medium industry—industries which require men as well as women. So far there is no problem of taking men out of the mines. On the contrary, the tendency is to run up too high a balance of female employment and draw women from other areas while men actually go unemployed.

Textile plants are probably in the majority though one saw plastics, costume jewellery, baby carriages, candy, paper products, lighters, cosmetics, utensils, gloves, electric clocks, woodenware, cameras and so forth being manufactured. In one plant I visited there were electric clocks parcelled up en route to the Argentine, Tel-Aviv, Shanghai and Canada.

One point stands out: that even the substantial government aid offered in this area would certainly have fallen short of what has been accomplished without imaginative, enthusiastic leadership and sales effort by public-spirited citizens. I was told of one party of executives who were invited (with their wives) to come for a week end and see for themselves the opportunities not only for industrial development but for schooling, recreation, holidays, etc. They returned home tremendous boosters for South Wales.

If anything of this sort is attempted in Canada we should profit by this obvious but very important lesson.



On what was formerly a slag heap, British industry has erected this modern textile factory in the Treforest estate at Cardiff, Wales.

Canadians in Triple Play Linking Montreal and Lima

Join U. S., Peru For Extension Of New Airline

The enterprise of a group of Canadian businessmen has given air-minded Canadians a new interest in South America. Joining with others from Peru and the United States, they have organized Peruvian International Airways, with the object of a direct-flight route from Montreal to Lima. Ronald Keith, editor of Canadian Aviation, Maclean-Hunter Publishing Co., describes his trip over the new airline to the Peruvian capital.

By RONALD A. KEITH

Twenty-four flying hours south of Toronto, our four-engined Douglas airliner skimmed the sand dunes of the Peruvian coast and wheeled onto the asphalt runway of Lima airport. The 44-passenger transport bearing the red condor insignia of Peruvian International Airways had just completed a press preview flight over the "aerial avenue of the Americas."

PIA is the Peruvian flag airline, having been thus designated by the Peruvian government in January of this year. At present, however, only 32% of the capital stock is held in Peru. Canadians and Americans share 68% of the current $4,800,000 capitalization, with U. S. Army Air Transport Command veterans providing most of the flying and operational experience required.

Objective of this western hemisphere operation is to provide a fast one-airliner service linking Montreal with Buenos Aires via New York, Washington, Miami, Havana Panama, Lima and Santiago, Chile.

To demonstrate the feasibility of its proposed north-south trunk service linking the Americas, PIA flew a group of journalists from New York to Lima and return. The writer was privileged to be the only Canadian press representative in the party which included 18 U. S. journalists and one South American columnist.

Present scheduled service of PIA operates only between Havana, Panama, and Lima on a twice-weekly frequency. Unless the company's plans should go unexpectedly off the beam, however, extension north to Montreal and south to Santiago and Buenos Aires will be achieved by mid-summer.

Planning Began in 1928

The conception of a one-airline service linking Canada and the U. S. with South America along the direct 80th meridian route is not a new one. As early as 1928 the route was traced on a global map by C. M. Keys, then head of Curtis Aeroplane & Motor Co. and now a director of PIA. It was not until 1944, however, with the prospect of four-engined long-range commercial aircraft that the idea started making sense.

In recent months a Canada-U. S.-Peru triple play has been in motion. The strategy has been to form a Peruvian company, liberally supported in its formative stages with Canadian and U. S. dollars but possessing the bargaining advantage of the Peruvian flag.

On Dec. 27, 1946, Peru and the United States signed an Air Transport Bi-Lateral Agreement. This treaty provided for reciprocal commercial air transportation privileges between the two countries. It means that, subject to final approved by the U. S. Civil Aeronautics Board, now pending, PIA will be allowed to operate into the United States. (A provision of the treaty is that minimum Peruvian ownership in PIA must be 30% at the outset, 51% at the end of 10 years.)

Extension to Montreal will have to be covered by agreement between the Peruvian and Canadian air authorities. Although informal conversations have been held with Reconstruction Minister Howe, the Canadian deal has not been pressed pending the CAB decision which is expected this month.

Peru has already signed air agreements with Cuba, Panama and Chile. Favorable prospects for similar arrangements with Brazil and the Argentine encourage PIA in its ambition to operate the entire inter-America trunk service illustrated by the accompanying map.

No Time Change on Route

Chief advantage of the Montreal-Havana-Panama-Lima route derives from the geographical "believe-it-or-not" that the east coast of North America is almost aligned with the west coast of South America. Thus, by hugging the 80th Meridian, PIA will fly a direct north-south crowline. This feature is impressed on the traveller who flies for 22 hours between New York and Lima without having to change his watch setting.

Although the extension to Buenos Aires involves an eastward deviation, the Lima-BA run slants across the slender southern extremities of the continent. The air distance from Buenos Aires to Montreal is 700 miles less via Lima than around the eastern bulge of South America, via Rio and Belem.

The year-round favorable weather prevailing through the Caribbean and down the rainless west coast of Peru plus the sea-level terrain are counted as further operational advantagees which apply as far as Santiago.

Authorized capitalization of Peruvian International Airways is $5.4 millions. Shares are 600,000 preferred at $7; 1,200,000 common at $1. A stipulation of the company's charter provides that stock not held by Peruvians must be held by Canadians or Americans with not more than 20% disparity in the amounts held by them respectively.

Headquarters of the airline is in Lima although much of its business is being transacted at present from the New York office. Overhaul of equipment as well as training of air crews is now centred in Miami where facilities are available.

The Peruvian law that 80% of the employees of any company in Peru must be citizens of the country does not apply to the flying personnel of PIA for obvious reasons. The first consideration is that air crew must pass the strict U. S. CAB licensing tests.

PIA now has six Douglas DC-4 aircraft purchased from U. S. Army surplus and converted to civil airliners. Passenger capacity of the DC-4 is 44, with normal cruising speed 200 m.p.h. and operational range 2,660 miles. Total payload is seven tons, fuel capacity 2,876 gallons, gross weight 70,700 lb.

Orders have been placed for the bigger and faster (320 m.p.h.) DC-6 but delivery dates are not certain.

Company Organization

President and general manager of PIA is Lieut. Gen. Harold L. George (Ret.) who has had 30 years of experience in aviation (including 5,000 hours as a pilot). He is credited with organizing and directing the U. S. Army Air Transport Command which, during the war, operated 3,500 aircraft on regular schedules over 110,000 miles of global supply routes. Under his wartime direction, ATC employed 300,000 personnel, flew 6,900 million passenger miles.

The Board of Directors consists of three Canadian financial leaders, four Americans and four Peruvian bankers. Canadians are: J. E. Savard, Montreal; J. H. Gundy, Toronto; and E. P. Taylor, Toronto; Americans: Harold L. George, Clarence W. Webster, E. S. Johnston, and Clement M. Keys; Peruvians: E. A. Pardo, M. I. Prado Heudebert, E. Magnani, and L. G. Porras.

Officers: Harold L. George, president and general manager; Haywood S. Hansell Jr., V.-P. operations; Richard Voss, V.-P. administration; Edward G. Bern, V.-P. traffic and sales; and Gordon A. Rust, V.-P. public relations.

Our demonstration flight to Peru was scheduled for dawn departure from New York on Tuesday, May 20. Thus it was ne-

Continued on page 18

Keep Out of Trouble—XXIII

Steady Savings Can Provide Early Foundation For Future Extension of Family Finances

By DONALD G. MACLEAN

Beggars can't be choosers. That's something to remember when considering a savings program.

If you have no financial resources you'll have to take the first job that offers, be dependent on the generosity of others in your old age. But if you have a reserve of money or its equivalent, even though small, it enables you to take more time looking for a job to your liking, take special training for the job you have, or to establish your own business. It gives you a foundation for security when you will be unable to work any longer.

It means the difference between security and insecurity.

Even if you are now in a congenial, well-paid job, times may change. The high executive who values you and your work may die and a new man come in who does not know you and doesn't care. One of your fellow employees may undermine you.

In such cases a savings reserve may save the day. And whether you have this reserve or not is usually up to you.

Canada is not a country of hereditary millionaires. If you get a list of the wealthy men in your community you will find a great many who started from scratch, while many names which were a power 50 years ago are now in the middle or lower income brackets.

Money Ahead — Worries Behind

The reason, largely, is saving or the lack of it, respectively. In a few cases wealth may be due to inheritance, lucky speculation or gambling. But in most cases saving, combined with a wise management of those savings, is the reason. A financial reserve has thus been established which, in many cases, has brought financial independence. Putting money ahead has put worries behind.

But a reserve established by saving implies sacrifice and self-denial. Somebody has had to go with present wants unsatisfied in order to build for the future.

Best plan is to establish an objective and then work toward it. This implies budgeting—not only for the savings account, but for everyday expenditures, including possible sickness, accidents, etc.

Security, of course, is the big consideration in saving and the first step is to open a savings account in a bank or trust company where your money will be safe from thieves or fire in a way it can never be in an old sock or a bureau drawer. Moreover, your money in the bank draws interest which, if left to accumulate, increases more rapidly than you think possible. Thus, $10 deposited monthly at 1½% interest in 20 years will amount to $2,775. The actual amount would be a little higher than this because in the above calculation interest has been added only once a year, whereas the banks add twice a year. Moreover, you can always get your money out of the bank when you want it.

The bank account is fundamental. Apart from its safety and liquidity, it gives you some standing in the community.

If you go to apply for a job, or buy a house, or go into a business deal, there is no better reference than your bank manager. Moreover, once you become a depositor you are entitled to the bank's advice in all financial matters.

Watch Savings Grow

If you have a chequing account your chequebook supplies a useful record of your expenditures and the cancelled cheque is evidence of your payment—a receipt in effect. By keeping suitable margins between your income and your expenses you can see your savings grow.

As your income increases the percentage of your savings to your total income should increase more rapidly than the percentage of your spending.

But having once accumulated a few hundred dollars as savings reserve, it's possible often to employ it where it will earn more with reasonable safety. You don't want your money to remain idle. In the bank it is not idle, but with wise investment it is possible to make it grow more rapidly.

The savings program itself is really part of a larger "security" program affecting both yourself and your dependents. There are various other forms sound savings may take, such as life insurance, an annuity for your old age, purchase of a house, investment in sound securities, but the savings bank account is the basis of them all.

Life insurance is probably the quickest safe way of providing for your dependents, just as annuities are a safe, sure way of providing for your own old age.

But after establishing a good backlog of insurance or annuities, wise investment of your surplus savings under favorable conditions enables you to supplement your insurance savings.

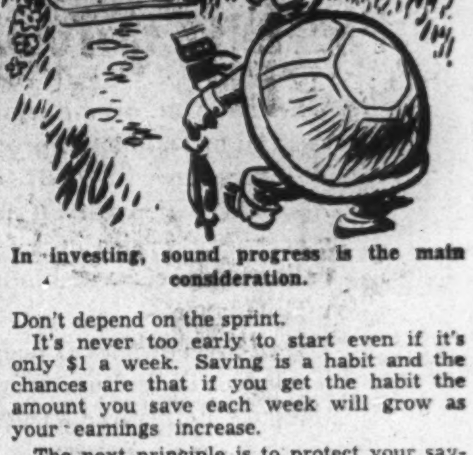
An Objective is Needed

Like everything else, your savings program is most likely to succeed if you set certain objectives—a certain amount of net assets at, say, age 30, a larger amount at 40 and a still larger one at 60.

Savings, of course, have to be carried on in conjunction with your day-to-day living at a reasonable scale. You have to use common sense. There's no use setting objectives so high that in trying to meet them your wife has a nervous breakdown, you become a miser, your children miss all the pleasures of youth.

Here's where the family budget comes in. By it you can set a reasonable amount for savings just as you do for rent, or food and, of course, life insurance. The next thing is to choose sound investment for your surplus.

Here the best method is to be satisfied with sound, steady progress, even though it may be slow. The oak grows gradually and even when it has attained its full growth its branches don't reach the sky. Just keep that in mind in building toward your investment objective. Saving must be systematic.



In investing, sound progress is the main consideration.

Don't depend on the sprint.

It's never too early to start even if it's only $1 a week. Saving is a habit and the chances are that if you get the habit the amount you save each week will grow as your earnings increase.

The next principle is to protect your savings against loss at all costs consistent with honor, common sense and decency.

A Job for Two

If a married man handles the investing of the family he should take his wife into his confidence. Otherwise, if she is a self-respecting, sensible woman, he can't expect her full co-operation. Sometimes the wife has far more investment sense than the husband.

Many a man who earns a liberal income has little to show for it at the end of 30 years because he doesn't know what to do with his earnings, while if he had a sensible wife and let her handle them they would probably have been farther ahead at 65.

Assuming that a person has established an adequate background of life insurance for the protection of his dependents (as outlined in previous articles in this series), what form should a man's savings take?

In most cases the first source of saving is earnings, including wages, salaries, commissions or profits from a business.

(Continued on page 25)

Canadian Business Men Help U.S. and Peru Develop New Air Line from Montreal to Lima

(Continued from page 17)

cessary to fly from Toronto on the afternoon of the 19th.

Toronto-Lima Flight Log

Monday

3:15 p.m.—Airborne, Malton Airport, Toronto, in TCA 21-passenger Douglas, Flight No. 324.

5.20 p.m.—Landed La Guardia Airport.

Tuesday

6:00 a.m.—Reported at International Marine Base, La Guardia Airport, ready for documentation prior to take-off. Low overcast has grounded all planes temporarily. Surprisingly, there is no lunch counter at this world airline terminal. It is necessary to take a taxi nearly a mile around the airport perimeter for breakfast at the main terminal.

8:30 a.m.—The ceiling is lifting and there is an exciting stir of activity. Motors of the big aircraft which have been crouching silently in the mist are thundering to life. The raucous loudspeakers summon passengers for departures to once-remote places like Shannon, Reykjavik, Frankfurt, and Guayaquil. A Royal Dutch Airlines Constellation, "The Flying Dutchman" waddles across the tarmac ready to take wing for Europe. Then,

"Will the passengers for Peruvian International Airways special flight to Havana and Lima please report to Gate Seven."

9.37 a.m.—Airborne on flight from New York to Havana.

11.10 a.m.—Over Washington, D.C., altitude 8,000 ft.

03.16 p.m.—The golden sand ribbon of Daytona Beach, Florida, is passing beneath our starboard wing.

06.40 p.m.—Landed at Havana, Cuba, after nine hours, three minutes flying from New York. Here the atmosphere of palm trees, white buildings, red earth, ebony skins, blue sky, brilliant sunshine, and the hospitality of frozen dequiris served up with customs and immigration formalities is in striking contrast to the drabness of early morning in New York.

Wednesday

1.15 a.m.—Airborne at Havana for Balboa, Panama. Just before take-off, the Captain emerged from his forward cabin to make a brief speech to the passengers. He announced that he would have the pleasure of flying us to Balboa, a distance of 1,011 miles. The weather would be clear and smooth, he said. We would be flying at 9,000 ft. and should arrive at 6.30 a.m.

Apparently this pre-flight speech by the skipper is a regular feature of PIA service.

6.00 a.m.—We are letting down gradually after flying over Caribbean waters through the hours of darkness. Below us is the crumpled carpet of Panama jungle interrupted only by the occasional rusty gash of a clearing.

6.35 a.m.—Landed Balboa Airport, Panama. This is a single-strip military airport surrounded by low hills that make an aircraft approach exceptionally difficult.

As soon as we emerged from the aircraft, the steam bath humidity of the Canal Zone became oppressive.

7.45 a.m.—Took off from Balboa for Lima.

11.30 a.m.—Flying in unruffled air under a cloudless sky, we have skirted the coast of Ecuador and are slanting down the Pacific coast of Peru. The entire coastal strip from the shoreline to the slope of the Andes about 50 miles inland is a vast and barren desert. Along this rainless sun-drenched margin the only sign of life is in the river valleys where water flowing from the mountains to the sea has created oases of amazing fertility.

03.20 p.m.—Landed at Limatambo, the airport of Lima, capital of Peru.

Our total flying time from Toronto to Lima was exactly 24 hours. On the comparatively leisurely schedule which included an overnight stop in New York and six and a half hours in Havana, the elapsed time was 48 hours.

After 10 days in Peru as guests of the Peruvian Tourist Bureau, we took off from Lima at midnight on Saturday, May 31, stayed overnight in Havana, landed at Malton 10 minutes before midnight, Monday, June 2.

Service in the Skies

Care and feeding of passengers is not the least of the special problems involved in operating an air service over two continents. We were surprised to discover that there was no variation in the excellent cabin service whether our aircraft was droning across the Caribbean, crossing the equator or flanking the snow-crested peaks of the Andes.

Standard PIA passenger plane equipment includes a Peruvian steward and stewardess, each skilled in attending to passenger requirements as well as being fluent in English and Spanish.

Hot fresh meals can be served at any time on 15-minute notice. Each of these meals is taken aboard as a frozen self-contained package provided by a caterer. Stored in the plane's refrigerator, the partially cooked and quick-frozen "Maxson meal" is simply stripped of its "Cellophane" and popped into an electric oven. In 15 minutes the thawing and cooking are completed and dinner is served.

Another powerful argument in favor of the air-borne refrigerator was demonstrated after we had taken off from the Canal Zone. The passengers were sizzling after three hours on the griddle of the Panama airport. Then the steward appeared with ice-cold Martinis!

Communications and ground aids to navigation are vital considerations, especially on the long hauls. As far as Panama there are radio range beams to keep the pilot on course in any weather. From there on, however, the radio compass is used to advantage. A series of ground transmitters along the route are used for "homing" by aircraft radio. PIA is planning to install a number of ground radio stations in South America to provide two-way voice communication with its planes in flight.

Clouds Create Problem

There is a special problem at Lima airport where during the winter months a low cloud hangs over the area almost continuously. There are two let-down procedures now in use. One is to get an accurate position fix by flying over a radio marker, then let down through the overcast while heading for a second marker. The other procedure involves fixing position, then flying out to sea and letting down over the water where there is no danger of obstructions.

The Peruvian government department in charge of civil aviation, known as CORPAC, has plans for installation of the slanting beam (standard beam approach) and radar (ground controlled approach) equipment at the strategic Lima airport.

Should PIA achieve its single airline through service between Montreal and Buenos Aires it will have a considerable competitive advantage. But even so there will be very tough opposition.

The advantages of such a through service are obvious to the air traveller. Today you can book an air passage from Canada to Lima. But flying from Toronto or Montreal you land at La Guardia. Then you must shift to Newark Airport and wait several hours to take another airline to Miami where there is another change of airline.

Some of the grief which can be involved in an airline relay system was encountered by the writer on the return flight from Peru. After leaving Havana we landed at Miami to clear customs and immigration. Because our PIA flight was terminating in New York, where I would be changing to TCA, the U. S. Customs extracted $10 in duties on South American purchases of $30 value.

There is a $100 exemption, but this applies only to returning U. S. citizens. There was the alternative of sending the luggage through in bond. But the cost and delay involved outweighed the customs levy. Furthermore, luggage arriving in Canada unaccompanied is not eligible for the $100 exemption allowed to returning Canadians.

On a through passage, no customs problem would arise as the luggage simply would remain aboard the aircraft and would not be subject to inspection.

Give Fast Service

Nevertheless, PIA will be up against some of the smartest competitors in the business. Despite change-over inconveniences, the airline relay can pick you up at Malton tomorrow morning and set you down in Lima the following afternoon. (Fare is $372.)

Eastern Airlines has just inaugurated a swift New York-to-Miami Constellation service which covers the distance in four hours and 15 minutes. Pan American and Panagra, who have maintained a virtual monopoly of South American mainline traffic for years, will soon have bigger and considerably faster DC-6 airliners to shrink the schedules.

Another American competitor, Braniff Airways, has been approved for operation from the central U. S. into South America but has not yet initiated more than exploratory flights to the south.

R. A. DUNN

has been appointed general sales manager of Canadian Liquid Air Co., in which firm he was formerly assistant to the president.

Public Relations University Course Is Canada's First

Both theoretical and practical aspects will be considered at the first University extension course on public relations in Canada. It will be held at the University of Toronto commencing Nov. 8, with the joint co-operation of the Advertising and Sales Club of Toronto and the Association of Canadian Advertisers.

The courses are being planned under the supervision of Dr. W. J. Dunlop, head of Toronto University Extension, and Roydon M. Barbour, director of the Advertising and Sales Club's educational activities. Active arrangements are in the hands of Douglas C. Durkin and Lee Trenholm, public relations chairmen of the Association of Canadian Advertisers and of the Advertising and Sales Club.

University specialists will deal with the academic side, while leading men in public relations will give the practical side.

SILVER MILLER MINES balance of option outstanding to Mervyn Malartic Gold Mines has been amended to provide for an underwriting on 65,000 shares at 22 cents a share, payable forthwith and an option on 400,000 shares at 27 cents, 400,000 shares at 32 cents and 100,000 shares at 37 cents.

RALCO EXPLORATION CO. plans carrying out surface exploration and diamond drilling of its six claims held in Black twp., Raymore area, Ont., this summer. Earlier work is reported to have indicated an ore shoot 250 ft. in length striking north-south.

CONSOLIDATED CENTRAL CADILLAC MINES balance of option outstanding has been converted into an underwriting on 35,000 shares at 30 cents, payable forthwith and an option on 171,300 shares at 30 cents by Sept. 1, and 171,300 shares at 30 cents by Oct. 31.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

SUPER-SERVICE STATIONS 1946 net profit was up 50%. Sales amounted to $3,415,500—up from $2,687,000 the previous year. Capital expenditures covering acquisition and construction of new properties amounted to $508,949. In addition there was a net expenditure, after depreciation, of $24,004 for transportation equipment.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Sales	$3,415,500	$2,687,000
Net earnings	454,054	360,643
Less: Depr.	163,405	64,864
Bond int.	30,453	27,175
Bad debts res.	5,412	......
Bond ref. exp.	20,045	......
Sundry debits	6,497	7,130
Income tax‡	100,856	176,554
Net profit	127,386	84,920
Less: Pref. divds.	16,500	16,500
Com. divds.	16,500	16,500
Surplus for year	94,386	51,920
‡Incl. ref. EPT	......	24,523

*Note—Co's. report includes ref. EPT in net profit and surplus for year.

Earnings per Share and Dividend Record:	1946	1945
Pref.: Excl. ref. EPT	$42.46	$28.31
Incl. ref. EPT	42.46	36.48
Paid	5.50	5.50
Com.: Excl. ref. EPT	36.96	22.81
Incl. ref. EPT	36.96	30.98
Paid	5.50	5.50

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$609,614	$381,784
Accts. rec.	214,204	160,547
Inventories	241,158	322,792
Total curr. assets	1,064,976	865,123
Misc. assets▲	53,239	87,477
Investments	137,206	94,155
Fixed assets*	1,276,357	888,260
Total assets	2,531,778	1,935,015
Total curr. liabs.	395,753	459,501
Funded debt	1,000,000	515,000
Capital stock	600,000	600,000
Capital surplus	4,895	4,895
Earned surplus▲	531,130	355,619
*After depr. of	823,537	678,631
▲Incl. ref. EPT	......	43,176
Working capital	669,223	405,622

STANDARD CHEMICAL CO. retained net profit for the year ended Mar. 31, 1947, was up 40.7%. Sales by the company of agency, distributor and wholesale lines increased during the year. Manufacturing operations were conducted on a normal basis at the chemical plant at South River, Ont., and at the two hardwood sawmills located at South River and at Harcourt, Ont.

The new plant for the manufacture of "Carboxel" located in the old buildings at Longford, Ont., started operations in Dec., 1946, and trials indicated that it could operate at rated capacity. This new product is now being introduced to Canadian industry.

Operations of the Goderich Salt Co. were at capacity. The new plant of Maritime Industries Ltd. was brought into operation before the end of the year and sales are steadily increasing in the Maritime provinces and in the export trade.

The Dalglish companies were restricted as a result of shortage of supplies arising from strikes in the plants of important suppliers. Severity of these restrictions on operations has now eased considerably.

Costs were higher due to increases in costs of labor, fuel and of a wide range of chemicals. Demand has been active. Difficulties are still being experienced arising out of shortages and interruptions in the supply of some raw materials, equipment and commodities for resale.

A great deal of work was done during the year on additional projects for expansion and development of the company.

CONS. INCOME ACCOUNT

Years Ended Mar. 31:	1947	1946
Oper. profit	$441,844	$413,138
Add: Invest. inc.	173,747	63,557
Other inc.	50,837	......
Less: Bank int.	24,055	33,812
Trans. gen. res.	42,383	......
Net earnings	599,990	442,883
Less: Depr.	76,761	52,591
Rlwy. const., etc., w/o	......	12,094
Income taxes	152,892	215,791
Add: Trans. inv. res.	......	125,000
Profit incl. ref. EPT	370,337	287,407
Less: Ref. port. EPT	......	24,213
Retained net profit	370,337	263,194
Less: Pref. divds.	50,000	45,616
Com. divds.	75,000	......
Surplus for year	245,337	217,578

Earnings per Share and Dividend Record:	1947	1946
Pref.: Excl. ref. EPT	$37.03	$26.32
Incl. ref. EPT	37.03	28.74
Paid	5.00	5.00
Com.: Excl. ref. EPT	*0.60	0.48
Incl. ref. EPT	0.60	0.54
Paid	0.10	......

*Based on average common shs. o/s in year (531,000 shs.); on 750,000 shs., common earned 43 cents.

CONDENSED CONS. BALANCE SHEET

As at Mar. 31:	1947	1946
Cash & Dom. bds.	$680,341	$884,361
Accts. rec.	946,779	833,483
Taxes recov.	191,424	......
Inventories	1,187,951	887,063
Total curr. assets	3,006,495	2,604,907
Prep. exp.‡	53,016	71,801
Investments	4,138,595	2,643,378
Misc. assets▲	141,821	176,323
G'will from consol.	787,307	905,192
Fixed assets*	2,119,264	793,329
Total assets	10,246,498	7,194,930
Accts. & tax. pay.	921,682	852,564
Other curr. liabs.	87,500	12,500
Total curr. liabs.	1,009,182	865,064
Spec. bank loan (sec.)	1,000,000	1,000,000
Invent. & gen. res.	275,000	250,172
Capital stock	7,291,078	4,591,078
Surplus▲	671,238	488,616
*After depr. of	901,763	939,719
▲Incl. ref. EPT	55,267	112,501
‡Incl. in curr. assets in co's. report.		
Working capital	1,997,313	1,739,843

Train 'Chutists To Fight Fires In Saskatchewan

From Our Own Correspondent

REGINA—In an all-out program to keep losses from bush fires at a minimum, the province has opened a school at Prince Albert to train parachutists for forest fire prevention.

The course will continue for six weeks. Later, the eight men enrolled in it will be stationed at Prince Albert during the fire season, so they can be easily transported to any part of the province by plane.

A special 300-ft. training tower, built at Prince Albert airport, will be used before students start jumping from aircraft.

Resources Minister J. L. Phelps said the United States Forestry Service uses this system successfully in fighting forest fires.

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OWNS AND OPERATES CKCH

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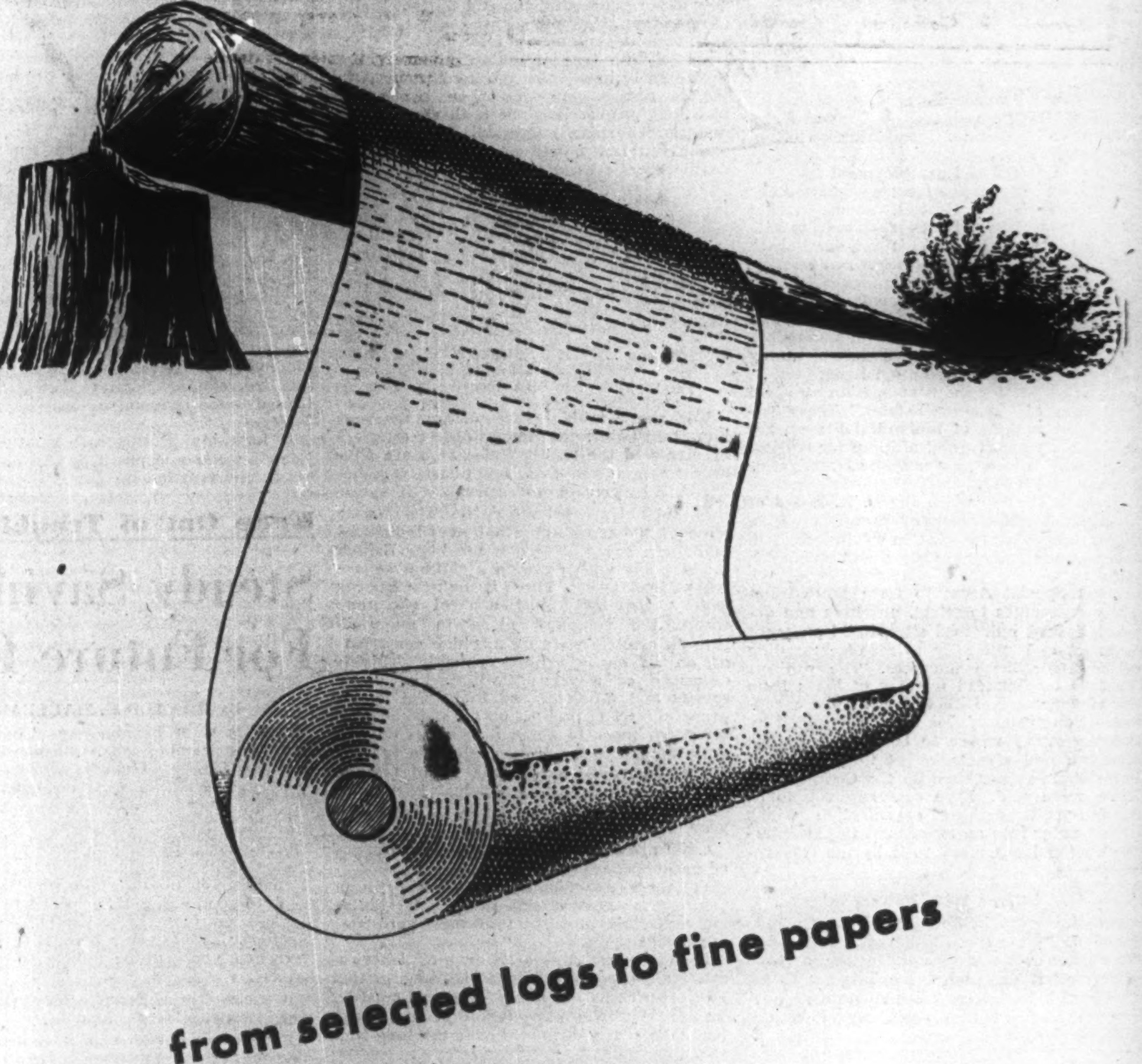

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No Major Change in Interest Rate In Sight, Declares V. B. Van Wart

Doubt that there will be any material change in interest rates in the near future was expressed by V. B. Van Wart, associate treasurer, Sun Life Assurance Co. of Canada, addressing the Dominion Mortgage & Investments Association annual meeting recently. Herewith is a summary of Mr. Van Wart's address.

In a period of low interest rates such as at present, more and more securities have been called and investors have been obliged to replace a large percentage of their holdings with lower yielding securities. The reverse happens in a period of rising interest rates. This emphasizes the need for investors to be constantly on the alert for impending changes in economic conditions and to adopt active investment programs so they may always keep their holdings adjusted to the type of securities best able to meet the changes anticipated.

In making investments there are usually two major interests to be considered. In the case of an insurance company it would, first of all, be that of its policyholders and, secondly, the public interest. Insurance, loan and trust companies, as virtual trustees for the funds placed in their control must always satisfy themselves as to the undoubted safety of their investments and try to couple with this as reasonable a rate of income as possible. As an added safeguard, adequate diversification and liquidity of their portfolio should be sought. Then, too, from the public point of view, our institutions cannot hope to justify their existence unless in the investment of their funds they are willing to participate in the economic development of the country.

Dominion of Canada bonds meet the requirements of safety and liquidity, as well as providing the investor with a reasonable diversification in maturity. The wide range of 3% issues facilitates rearrangement of the portfolio from time to time in keeping with any likely change in the interest rate. The natural and inevitable disadvantage of government securities is that they tend to give a lower return than most other types of securities. However in recent years this yield has been narrowed considerably and I doubt if it would take much of a shakeout in the market to bring this into relief. In fact, the yields on Dominion of Canada bonds today, and particularly if we take the varying costs of acquisition into consideration, appear reasonably satisfactory as compared with the rates obtainable on corporation bonds. There is always the danger, too, that the current low levels of interest may induce investment organizations to try and improve their earnings by taking more risks than may prove to have been justified.

After such a change as has occurred in interest rates during recent years, it would not be unusual to expect at least a slight reaction in the other direction now. In fact, some have expressed the opinion that we saw the lows in interest rates last year. Although I would not be inclined to disagree too much with such an opinion, yet I doubt whether we will see any material change in either direction in the near future. Dominion of Canada government bonds, too, seem to provide an ideal type of investment while awaiting more definite indications as to the likely trend of interest rates.

There are outstanding a variety of 3% bonds maturing from 1957 to 1966. These issues are all selling today within a fraction of $105. The yields to call dates range from 2.15% on the 3%'s of 1945/57 to 2.58% on the 3%'s of 1961/66. All of these issues provide a reasonably long noncallable period and yet the average term to final maturity is only around 14 years. In the event of a rise in interest rates, therefore, these bonds would tend to decline less in price than 25 or 30-year corporate bonds.

Conversely, if interest rates decline further, then the price of these bonds would continue to rise after the appreciation on longer term corporate bonds was prevented because of their call prices.

Canadian government bonds have another peculiar quality. The present pattern of interest rates in Canada is such that these issues tend to hold their price of approximately $105, the decline in yield on market price each year being sufficient to keep the price up until they are about five years from their call dates when amortization sets in to reduce the price gradually year by year.

As long as these bonds can be bought at around $105 and sold at a later date at the same price, the actual return to the holder is not the yield to maturity but the stock yield, which is approximately 2.86%. This is roughly the same yield as the yield to maturity on a 3% 30-year corporate bond callable at $105 and selling at $102½ and, in fact, is within .07% of the stock yield on the same corporate bond, although I would not recommend using the stock yield in this latter instance.

It would seem that the retention of a goodly portion of investment funds in these government issues should help solve the problem for anyone in doubt as to the future trend of interest rates. The distribution between the issues can be shaded to suit the individual investor. For someone who is slightly bearish the greater part would go into the shorter issues and vice versa.

By adoption of this program the investor will get a reasonable return and is certain to get some appreciation if interest rates decline and take only a moderate loss if rates rise. Then, too, he will have funds in the most marketable type of bond and this permits him to make quick changes in his portfolio if he so desires.

I do not feel quite so confident in regard to all provincial bonds although theoretically they should rank next in line to Dominion of Canada bonds. However, their taxing powers are more limited and extravagant administration and the issuance of too many securities during periods of easy financing have occasionally made them quite vulnerable during periods of business recession. However, seven provinces have already signed the agreement with the Dominion whereby they vacate certain tax fields in lieu of receiving annual grants from the Dominion. This means that from 30% to 45% of their revenues are placed on practically a Dominion basis and this should entitle some of them to a somewhat higher credit rating than they previously enjoyed. Unfortunately, though, very little effort has been made by any of them to curtail expenditures and should these agreements ever be abrogated, some of the provinces might quite well find themselves in difficulty. In fact, their costs of service have increased so much that most of the provinces, even with the Dominion grants, are not in a position to meet any unusual unemployment demands.

I think institutional investors, though, can afford to hold a certain percentage of these securities at present but when their yields closely approach that obtainable on Dominion bonds, I would be inclined to trade them into the latter and then await opportunities to acquire them again when the yield was not quite so close. This happens occasionally when they are seeking new funds or when some adverse factor in their position meets with sufficient public comment to cause at least a temporary decline in the prices of their securities.

Investment institutions and public bodies should provide careful scrutiny and critical examination of the expansion of the services and functions of governments into fields where private enterprise might do as well or better. Public investment should be directed so as to be complementary to rather than competitive with private investment.

JAMES STEWART

assistant general manager of the Canadian Bank of Commerce, has been appointed a director of the National Sanitarium Association.

Volume Aids Rayon Groups

The rayon, nylon and associated industries in 1946 maintained their sharp increase in output when production reached 77.5 million yards of rayon fabrics, 20 million pounds of rayon yarn, and correspondingly important quantities of narrow fabrics such as elastics, tapes, ribbons and braids, C. F. Woodward, president of The Silk Association of Canada stated at the 15th annual meeting. If the industry had not been limited in supply of raw materials and to a certain extent in labor, production would have been substantially greater, it was stated.

The production picture is being gradually improved by installation of and expansion of Canadian plants, to a point where capacity will be within close range of meeting all raw material needs. At the same time facilities for converting these raw materials into consumer goods are being rapidly renovated and expanded.

To modernize for efficient operation is vital, but undue expansion would ultimately produce a state of over-supply which would be of benefit neither to the industry nor to its customers, the president said. Fortunately, the industry is an expanding one.

"It is a plain fact that there is no source from which to secure funds to pay labor, except from the price of the goods we sell. Profits result from high volume as much as from price and we are running at high volume. No company, however, can continue to provide modern tools with which to employ labor unless it can accumulate funds for the purpose. An attack on reasonable profit is an attack on potential employment," Mr. Woodward said.

"The point has been reached where controls hinder rather than help the ultimate readjustment which must be made. The hampering of initiative at this stage is dangerous."

BELL TELEPHONE CO. OF CANADA has advised that an additional 913 shares have been issued under the terms of the employee stock plan. An additional 20 shares have been issued under the offerings of rights to shareholders of record on Sept. 25 last, thereby making the issued capital 1,047,761 shares.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

UNITED SERVICE CORP. 1946 net profit was up 20.6%. Sales for the year were approximately $7,227,000, an increase of $1,776,000 over the previous high. Property additions and other capital expenditures amounted to $557,922. In addition there was a net expenditure, after depreciation, of $44,916 for transportation equipment. Further capital expenditures under way, should materially extend the scope of the corporation's business. The corporation showed an increase in sales for the first three months of 1947 and prospects for the ensuing year are encouraging.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Sales	$7,227,000	$5,461,000
Net earnings	1,034,764	823,728
Less: Depr.	228,380	119,105
Bond int.	32,475	26,460
Note int.	9,450	9,450
Subs. bd. int.	30,453	27,175
Bond exp.	20,045	21,803
Bad debts prov.	12,754	......
Sundry chgs.	......	......
Income tax△	306,262	357,043
Add: Invest. sale	43,623	54,520
Int. & disc. (net)	22,264	15,083
Net profit*	460,832	332,295
Less: Subs. divd.	16,500	16,500
Pref. divd.	50,969	77,219
Surplus for year	393,363	238,576
△Incl. ref. EPT	......	26,002

*Note—Co's. report includes ref. EPT in net profit and surplus for year.

Earnings per Share and Dividend Record:	1946	1945
Pref.: Excl. ref. EPT	$3.05	$2.17
Incl. ref. EPT	3.05	2.35
Paid	0.35	0.52½
Com.: Excl. ref. EPT	15.19	10.23
Incl. ref. EPT	15.19	11.23
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & Dom. bds.	$1,668,434	$1,327,354
Accts. rec.	547,341	401,424
Inventories	621,582	650,715
Total curr. assets	2,837,357	2,379,493
Misc. assets△	231,510	260,554
Investments	444,302	347,264
Fixed assets*	1,895,592	1,456,921
Total assets	5,408,761	4,444,232
Total curr. liabs.	962,827	927,787
Funded debt	1,770,000	1,315,000
Super-Serv. shs.	300,000	300,000
Capital stock	728,142	728,142
Divd. approp.	236,250	236,250
Earned surplus△	1,411,542	937,053
*After depr. of	1,036,583	872,416
△Incl. ref. EPT	25,723	68,899
Working capital	1,874,530	1,451,706

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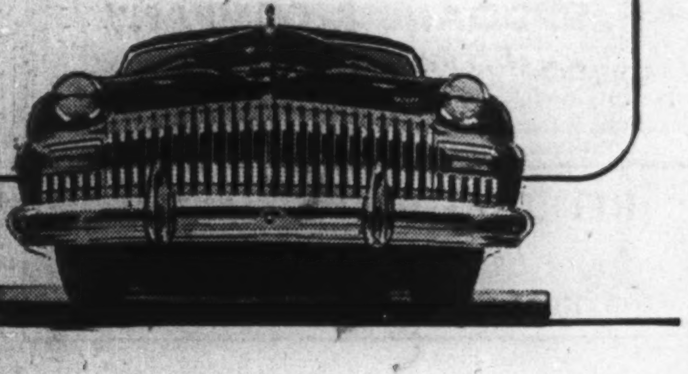

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Municipal Credits Good Today, But---

By J. T. BRYDEN
Assistant General Manager
North American Life
Assurance Co.

My purpose is to focus attention, for subsequent discussion, on some recent trends affecting municipalities and their bonds, and to consider various factors which may have a bearing on municipal investments over the next several years.

With a view to discussion also, two tables of municipal statistics have been prepared. They are taken from the Bank of Canada Statistical Summary, and serve to indicate the present situation, the changes which have taken place during the last seven years, and will serve as a springboard for consideration of the future. The figures for 1946 have been estimated by the Dominion Bureau of Statistics based on a sample of returns, but can, I think for our purpose, be considered adequate.

The following comments seem appropriate concerning Table I on Municipal Debt:

(1) Municipal debt in Canada has decreased by $364.7 millions during the last seven years and now amounts to $806.7 millions. Two main factors would appear to be responsible:

(a) The fact that at the time of issuance of municipal debt retirement is contemplated, either through installment or serial maturities or by sinking fund accumulations. In this, among governments, municipalities are almost in a class by themselves.

(b) The fact that, owing to the war, municipal debt creation virtually ceased. This was due in part to the almost complete utilization of labor and materials in the prosecution of the war and in part to a desire on the part of municipalities not to interfere with the Federal Government's war financing by competing with it for the national savings. The result was a shelving of many capital projects and the accumulation of large deferred maintenance.

(2) This debt retirement has been general, both with regard to class of municipality and with regard to provincial distribution. Rural municipalities have made the greatest proportionate reduction at 57.4%, compared with metropolitans at 25.6% and other urbans at 30.4%. Provincially, Saskatchewan municipal debt, peculiarly enough, has shown the greatest proportionate decrease at 71.7%; Quebec and British Columbia the least at 13.8% and 14.8% respectively. The effects of full employment—I should say, overemployment — and rising prices in the economy have had very general application, and have not been confined to any particular class of municipality or any particular geographical area.

(3) Debt retirement has also been general with regard to the purpose for which it was issued. Net public utility debt showed a decline of 32.7% and net general debt 20.1%. The figures do not lend themselves to the determination of the net school, highway or other debt, but in each category decreases were substantial.

(4) Of particular interest is the reduction in bank loans. In 1939 Canadian municipalities owed their bankers $143.5 millions, and at the end of 1946 only $25.5 millions — a reflection of good tax collections and sale of tax sale lands. These figures do not indicate in full measure the improvement in the current position of most municipalities. Country-wide figures are not available, but in Ontario, for example, at the end of 1945 municipalities had cash and investments of $25.5 millions, with bank loans of $4.4 millions and other current liabilities of $10.9 millions, leaving net quick assets of some $8.2 millions. Similarly Nova Scotia municipalities, excluding Halifax, at the end of 1945 had cash and investments of $2 millions, against bank and other current liabilities of $1.2 millions.

Revenues Increase

Table II on Revenues and Expenditures would seem to call for the following observations:

(1) Municipal revenues have increased by $56.1 millions, or 17½%, to a total of $376.4 millions, and municipal expenditures by $38.4 millions, or about 11½%, to a total of $366.2 millions. A 1939 deficit of $7.5 millions has been turned into a surplus of $10.2 millions. Municipal surpluses and deficits are not particularly significant since most provincial laws require that any deficit be included in the following year's expenditures. Buoyant municipal revenues have been a byproduct of the war-induced condition of overemployment and a high level of income, which has continued during the reconversion period to the present time.

(2) Continuous debt repayment and some refunding operations have resulted in a decrease of $17.8 millions in interest charges, to a point where interest charges now comprise only 9.3% of total municipal expenditures, compared with 15.8% in 1939. Provision for debt retirement itself has remained relatively steady.

(3) Expenditures on public welfare have also declined by an amount of $4.3 millions. This reflects again a high level of income and the practical cessation of relief expenditures, which were such a heavy burden on municipal budgets during the thirties.

(4) Expenditures for schools,

Effects of Capital Spending, Lower Tax Incomes May Vary

roads, protection, etc., have all shown a marked increase. To some extent this may represent a greater pay-as-you-go policy, but more importantly, I think, reflects the increase in expenses and wages occasioned by our controlled inflation.

(5) The real property tax is still the backbone of municipal income, and the real property assessment the base upon which the municipal structure is built. These figures do not reflect the extent to which municipalities have been able to collect their levy. An analysis of some 238 municipalities showed that in 1939 only 21% had current collections in excess of 90% of the levy. In 1945 91% of these same municipalities were collecting in excess of 90% of the current levy in the year in which due, and of course for the last several years, total collections, that is, both current and arrears, have been in excess of the current year's levy.

These figures and these comments I think bear out the statement that never have our municipal credits been in better or sounder condition.

Yield Spread Narrows

This credit worthiness and the scarcity of new issues has been reflected in the yield at which municipal bonds sell—in many cases approximately equal to the yield obtainable on comparable Dominion of Canada bonds. Most defaulted securities have been placed in good standing again, many refunded, and the yield, spread beween municipal securities has been progressively narrowed, in most cases, almost to the point of extinction.

But what of the future?

We are still in an economy of full employment, rising prices and rising wages. We are still plagued by scarcities of many goods, not the least of which is housing, and we are still immersed in a philosophy of security and the social redistribution of our national income. To what extent these factors may change, I do not profess to know, but I think the following generalizations may be in order—

(a) The price level is likely to establish a new plateau after the present inflationary bulge has worn itself out. This plateau is likely to be considerably in excess of our present normal of 1935-1939 equals 100. In other words, some part of this inflation will prove permanent.

(b) The responsibility which governments have assumed for the maintenance of a high level of employment and income will lead to more conscious direction over the economy than pre-war, and may serve to iron out through fiscal policy and other techniques the peaks and valleys of our so-called business cycle—at least that is the intention, but the proof of the pudding will be in the eating.

(c) The level of interest rates, which is a key factor in governmental planning for full employment and also because of its effect on the burden of the public debt, is likely to remain for some time in the current lower ranges, barring some sort of loss of confidence in our monetary system.

Municipal credits have never been in better condition BUT major expenditures are required in many municipalities and more tax delinquency may be expected. These are some of the points of interest to investors considered by Mr. Bryden in this address, on "Municipal Bonds as an Investment Under Present Conditions" delivered at the recent annual meeting of the Dominion Mortgage & Investments Association.

Deferred Maintenance Problem

These generalizations, together with other factors of more particular application to our municipalities, seem to me to contain implications for those of us who are interested in the position of municipal securities. I do nothing more than throw these considerations on the table for discussion.

1. The long down trend in the total of municipal debt would seem to be on the point of flattening out, with a possibility of reversing itself completely in the not too distant future. Present costs and shortages of labor are such that municipal capital expenditures may be somewhat delayed, but it would be difficult to argue that many municipal improvements are not urgently needed. Municipalities have accumulated in the last seven years a large amount of deferred maintenance. Some municipalities have built up postwar reserves which can be drawn upon, but most will have the alternative of financing such improvements either through current expenditures or from capital funds. In addition to this deferred maintenance, of course there is the normal improvement in civic assets which would have been made during the war period to accommodate the growth of population, both in general and in those of school age in particular. Then, too, there are many grandiose schemes now on drafting boards in connection with the now popular Town and City planning projects, memorial centres, civic squares, slum clearance and many other improvements seemingly necessary to future community living or municipal pride. Although many of these will probably not come to fruition, those that do will cost money, which must come from the capital market.

2. Municipal expenditures likewise are likely to level out considerably in excess of the pre-war amounts—a combination of two factors; first the decreased value of the dollar will make larger dollar expenditures necessary to provide the services that would be normally supplied and to pay the people who would be normally employed, and second, the level of municipal services is still low compared with what we might normally expect to have it, and undoubtedly low compared with the services likely to be insisted upon by ratepayers and others over the years ahead. The outstanding example of this, I think, is in the realm of educational expenditures.

(3) No solution has yet been finalized with regard to the problem of relief expenditures if, as and when necessary. These expenditures proved a tremendous burden on municipalities during the thirties, despite assistance from senior governments. Although there is general recognition of the responsibility of the Federal Government for relief for employable unemployeds in such periods, no final technique has as yet been developed to give effect to this responsibility, and thus clear municipalities of the possibility of a recurrence of this type of burden.

Aside from the problem of relief, welfare expenditures in general are likely to increase, it seems to me, not only as a result of the present social philosophy but also as a result of the relatively high income taxation which is likely to prevail and is likely to cut down the budgets of the many privately supported welfare organizations. Under the guise of public welfare, too, municipalities may be drawn to a greater extent into the provision of housing, either as owners or as a source of rental subsidies.

Debt Repayment

4. Debt charges will increase, too, as a result of any increase in capital debt. Under present interest rate levels the effect of debt creation will be considerably less of a current burden than in former years, at least as far as interest is concerned. Repayment schedules will probably continue to vary although there is still, I think, great merit in planning debt repayment over the life of the asset, and maintaining some semblance of equity in payment as between ratepayers over the years. Debt repayment errs on both sides. In any event, any savings involved are likely to be more than offset by increases in other expenditures.

5. Increased expenditures, of course, must mean an increase in the dollars of tax levy, individual increases in tax rates depending on the growth and number of properties on the assessment rolls and the relative valuations assigned. Increased tax costs to ratepayers are to be expected as an integral part of the increase in the cost of living, and are compensated to some extent at least by the increases in capital value. The fact of the increase may be accepted, but the proportion of the increase is extremely important. Real estate for many years has, I think, borne too heavy a proportion of municipal costs and, as we all know, this has had a depressing effect on new construction and on existing capital values.

6. Increased taxes and possibly some diminution in the degree of employment and income will, I think, change the current favorable picture with regard to tax collections. Tax delinquency may become of increasing importance, and tax delinquency usually means bank loans and a depreciation in the municipality's credit position.

7. No satisfactory alternative sources of revenue for municipalities have as yet been developed—sources which they can call their own in the sense that they call real estate taxation their own. The approach to the problem which seems to be developing is that of inter-governmental

Continued on page 28

Table I

Municipal Debt in Canada

	1939	1946	Amount	%
Schools Gross	$208.8	$178.3	$30.5	14.6
Highways Gross	256.1	164.5	91.6	35.8
Other (ex. P.U.) Gross	520.6	412.9	107.7	20.7
Less Sinking Fund	196.3	125.2	71.1	36.2
Net General	789.2	630.4	158.8	20.1
Net Public Utility	237.9	160.1	77.8	32.7
Net Direct Bonded	1,027.1	790.5	236.6	23.0
Net Guaranteed	54.8	44.7	10.1	18.4
Net Direct and Guaranteed	1,081.9	835.2	246.7	22.8
Bank Loans	143.5	25.5	118.0	82.2
Net Outstanding Debt	1,225.4	860.7	364.7	29.8
A. Class of Municipality:				
Metropolitan	729.6	541.9	187.7	25.6
Other Urban	398.5	277.4	121.1	30.4
Rural	97.3	41.4	55.9	57.4
	$1,225.4	$860.7	$364.7	29.8
B. Province:				
P. E. I.	2.8	2.1	.7	25.0
Nova Scotia	24.2	17.9	6.3	26.0
New Brunswick	21.1	15.9	6.0	28.4
Quebec	487.5	420.1	67.4	13.8
Ontario	394.0	216.7	177.3	45.0
Manitoba	71.8	43.9	27.9	38.8
Saskatchewan	69.7	19.7	50.0	71.7
Alberta	51.2	37.3	13.9	27.1
British Columbia	103.2	87.9	15.3	14.8
	$1,225.4	$860.7	$364.7	29.8

Source—Bank of Canada Statistical Summary.

Table II

Canadian Municipal Revenue and Expenditures

Revenue	1939	1946	Change Amount	Change %
Real Property Tax	$242.2	$278.1	+ 35.9	+ 14.8
Sales Tax	4.7	9.1	+ 4.4	+ 94.0
Income Tax	3.6	..	— 3.6	—100.0
Other Taxes	22.9	27.3	+ 4.4	+ 19.2
Total Taxation	273.4	314.6	+ 41.2	+ 15.1
Licenses, Permits, Fees	7.0	8.2	+ 1.2	+ 17.1
Public Utilities	10.2	16.3	+ 6.1	+ 59.8
Other Revenue	29.7	37.2	+ 7.5	+ 25.2
Total Revenue	320.3	376.4	+ 56.1	+ 17.5
Subdivided—Metropolitan	135.3	147.4		
Other Urban	123.1	143.1		
Rural	61.9	85.9		
Expenditures				
Schools	82.3	100.0	+ 17.7	+ 21.5
Public Welfare	48.9	44.6	— 4.3	— 8.8
Highways, Roads, Streets	25.7	46.0	+ 20.3	+ 79.0
Protection, Administration	83.1	104.6	+ 21.5	+ 25.9
Debt Interest	51.9	34.1	— 17.8	— 34.3
Total Current (ex Debt Repayt)	291.9	329.2	+ 37.3	+ 12.8
Debt Repayment	35.9	37.0	+ 1.1	+ 3.1
Total Expenditures	327.8	366.2	+ 38.4	+ 11.7
Subdivided—Metropolitan	147.1	149.1		
Other Urban	121.3	136.4		
Rural	59.4	80.7		

Source—Bank of Canada Statistical Summary.

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Five Basic Factors for Purchase Of Common Stocks Given at DMI

A working plan to fit individual program and problem is recommended for investors by Donald K. Tow, treasurer of the Toronto General Trusts Corp., in his address before the Dominion Mortgage and Investments Association recently, summarized here for readers of The Financial Post.

In making investments under present conditions, our problem is that of obtaining a reasonable income and, if possible, a reasonable capital gain.

All our portfolios contain two main elements:

1. Our defensive or backlog securities; our holdings of high-grade bonds with lower yields, and

2. Our offensive or volatile securities; our holding of stocks, both preferred and common, with higher yields, possibilities of capital gain and with their inherent higher risk factor.

Under present conditions the best type of preferred stock to buy would appear to be the cumulative, callable, sinking fund type. The call feature has the effect of restricting the market price to reasonable levels which in some cases results in a better yield than can be obtained from noncallable preferreds of like quality. While a sinking fund may at times operate to the investor's disadvantage in the redemption of his shares, it provides market support in periods of receding stock prices. In a declining market the noncallable preferreds may drop faster in price until they have reached the yield level of like callable issues.

In long perspective current preferred stock yields are low. They have been on the downward scale, admittedly very irregularly, in line with bond yields.

In broad prospect, risks appear to be on the side of higher, not lower, yields—in other words, lower not higher prices for preferred stocks. That prospect involves a long-term trend and will likely include many minor deviations.

If we can see that there will be only minor, if any, reaction in high-grade bond prices during the next year or two, we should not expect very wide price fluctuations among high-grade preferreds, although a decline in business activity might produce some weakness in price. Lower grade preferreds, on the other hand, are vulnerable to reduced margins of dividend protection and could well suffer to a greater extent in the near future with the decline in earnings.

But there is a distinct possibility that yields of all kinds may tend toward higher levels—slowly on a long, irregular trend of a good many years. If that should happen there would be no real price recovery in preferred stocks for a long time and sales during that time would therefore result in a loss. Preferreds would suffer more than bonds, except in the case of extremely long maturity bonds, and from a capital value aspect are less desirable holdings.

As far as long-term investment policies are concerned, it would appear better to hold a combination of bonds and common stocks rather than preferred stocks. The time to purchase common stocks is in times of low common stock prices. If we agree that common stock prices will be lower, then we should restrict our purchases to bonds at the present time.

The main reasons for buying common stocks are to obtain income, to obtain capital appreciation and to achieve a measure of safety for the capital amount involved.

The basic factors which should be considered in the purchase of any common stock are:

1. Management.
2. Past record as to earnings and the elimination of overemphasis on nonrecurrent favorable or unfavorable conditions.
3. Changes in capitalization and senior security structure, if any.
4. Present and long-term prospects.
5. Size of company and marketability of its shares.

Having satisfied ourselves on these points we must then consider the company in relation to other companies in the same industry; the prospects of that industry in relation to the national economy.

While a market decline will affect all stocks in general, individual stocks will react in varied degrees depending on factors too numerous to mention. The investor is therefore faced with a highly selective situation and it would be prudent to recommend a general policy of selling out all common stocks.

Purchase of common stocks under today's conditions, having due regard to the makeup of one's portfolio, is still conditioned in the main on one's view of general market activity.

If the investor has a portfolio which appears to warrant the inclusion of further common stocks, he should now be giving thought to a program of purchases of preselected stocks at staggered lower prices over the next year or so. When the first and subsequent buying prices have been reached, he should review the desirability of investment under conditions at that time before making the actual purchase. In this way the investor will not buy common stocks at the bottom of the market but will establish the common stock section of his portfolio at fair average book values. By the same process it is possible to average down previous commitments made at higher levels.

A fundamental need is to have a working plan which fits our own individual program and problem.

The only guarantee that investments will eventually prove to be sound is constant vigilance and revision of your portfolio as economic conditions change.

'New Money' Corporate Financing Increases in First Four Months

Bigger volume of "new money" corporate financing in the near future is anticipated by A. H. Lemmon, treasurer, Canada Life Assurance Co., in an address before the Dominion Mortgage & Investments Association annual meeting recently. At the same time, Mr. Lemmon cautioned investors on three major points to watch before buying.

There was a tremendous expansion in the volume of corporate bond financing in Canada in 1946 with the total considerably in excess of $500 million, which is almost twice the 1927 total. About one seventh of this financing represented new money and the balance merely refunding, reflecting the reduction in basic interest rates that has taken place since before the war and also reflecting the narrowing of the gap between high grade and second grade securities.

According to a survey completed by the Department of Reconstruction and Supply in March 1947, industry in Canada expects to spend over 50% more in 1947 than in 1946 on new capital expenditures and approximately the same amount as in 1946 on maintenance and repairs. If these estimates are realized it would be natural to expect an increased amount of new money financing in 1947, and the experience of the first four months would appear to bear this out.

It is estimated that the volume of corporation bond financing in this period totalled approximately $200 million, of which about one third represented new money and the balance refunding. This means that the volume of new money financing in the first four months of 1947 equalled approximately 80% of the total new money financing for the full year 1946. Refundings continue to make up the majority of financing, but this, of necessity, must change unless we move to a still lower basic interest rate, since the vast majority of the industrial and public utility companies in Canada have completed all possible refundings.

The volume of corporation debt outstanding in Canada declined steadily during the war and in spite of the new money issues brought out since the end of the war, the total now outstanding is still much below pre-war levels.

The yield on corporation bonds in Canada has declined roughly in line with the yield on Dominion of Canada bonds. In the United States, where more complete statistics are available, all services appear to agree that second-grade securities are selling closer to high grades than has been the case for many years. There is reason to believe the same situation holds in Canada.

While investors are undoubtedly buying industrial bonds and debentures with more confidence than for a good many years, they should bear in mind the following:

1. There have been major technological changes taking place during the war affecting a great many industries. The results of these changes are not yet apparent, since with the terrific shortage of almost all materials, competition has not brought these changes to the fore. However, as soon as the present backlog of demand starts to be filled, or is priced out of the market, these technological changes will become very evident and will affect in some cases whole industries and in others individual companies within those industries. This merely stresses again that the management of a company is fully as important as the balance sheet figures in sizing up its credit.

2. It must also be borne in mind that companies now require more money, both for fixed capital and working capital, to do the same physical volume of business as pre-war, since the price level generally is considerably higher. In addition, depreciation, based as it is on original cost of property, is apt to prove inadequate to replace the worn-out or obsolete equipment at today's prices. Most of this new money has to date been provided by debt financing.

3. The current high earnings of industrial companies include a substantial amount of inventory profit. When inventories, built up in a period of lower prices, are sold as finished product in the present period of higher prices, it inevitably inflates the trading profit. This excess profit should not be dispersed as dividends, but retained as a reserve against high cost inventories acquired at today's cost.

Public utility companies, faced with the problem of a terrific increase in the demand for their facilities, are expanding in a period of very high costs, which means that the unit cost of current installations is much higher that these companies had previously experienced. The effect on these companies of a decline in business after the installation of these high cost facilities should be watched very carefully.

Utility expansion is being financed almost entirely through the issue of additional debts. Where a company is faced with a major expansion problem, it would be reassuring to feel that at least a reasonable share could be financed by additional equity, either through the issue of additional stock or through retained earnings. It is also appreciated that in some provinces the threat of public ownership is a very strong deterrent to equity financing.

In spite of the large amounts spent on fixed capital during the war, it would appear that Canadian industrial companies generally still require a considerable amount of new capital facilities. To date, much reconversion has been financed out of accumulated working capital, but there are signs that more of them will have to come to the investment market. As yet there are few, if any, signs of the speculative excesses of the late 20's, as far as corporation financing is concerned.

YOU ASKED US ABOUT

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave., Toronto 2. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. If more than one enquiry is being sent, subscribers are asked to submit each on a separate sheet of paper, to facilitate research work entailed.

INCOME TAX

Income From Commissions

If a man works entirely on commission, getting no salary, does he pay his income tax in quarterly installments or just once a year? He has some investment income also.

He should pay his income tax quarterly. He estimates his total income for the year based on the preceding year and then pays 20% on March 31, 25% on June 30 and Sept. 30 and 30% on Dec. 31.

Investment Surtax

I am not clear as to what is the exemption allowed on investment income as regards surtax. Is it $1,500 or $1,800? What is the rate of surtax?

It is now $1,800, having been raised from $1,500 by the budget in 1946. The rate is 4%.

INVESTMENTS

South Dome Lake

I understand that a new company was formed to take over the old South Dome Lake Mines. Can you tell me the name of the new concern and something about its affairs?

Midcamp Mines is the name of the organization incorporated last year to take over control of the 353 acres adjoining Dome Mines in the Porcupine area, Ont. South Dome turned over some 205 acres, W. H. Kinch 100 acres, Nichols Mining Co. 33 acres and balance of acreage comprised the Wood-Lang and T. R. groups. Approximately, 1,731,350 shares were issued for the property.

Original financing plan called for an option on one million shares to Noranda Mines, Hollinger Consolidated, Anglo-Huronian, Paymaster Consolidated, Preston East Dome and R. M. Elliott at 50 cents a share, and a further option on 1.5 million shares at 50 cents.

Shawkey Mines

In a recent issue The Financial Post carried the annual report coverage on Shawkey Mines. Is this company the same as Shawkey Gold Mines which I have held for some years?

The report coverage you speak of was on Shawkey (1945) Mines, an Ontario company chartered in 1945 with authorized capital of three million shares to take over Shawkey Gold Mining Co. on a one new for three old share basis. The share certificates you hold are apparently in Shawkey Gold Mines (a 1934 charter) which sold out to Shawkey Gold Mining Co. on a share for share basis.

The best procedure for you to follow at this time is to get in touch with Premier Trust Co., transfer agents, Toronto, for advice regarding transfer of certificates.

Investors Syndicate

Will you please give me some information on Investors Syndicate of Canada?

Investors Syndicate of Canada, Ltd., is a wholly-owned subsidiary of the American company, Investors Syndicate of Minneapolis, Minn., established in 1894. Investors Syndicate of Canada, Ltd. was incorporated by an Act of the Manitoba Legislature in 1940 to take over the Canadian business of the United States company which had been operating in Canada from 1926.

The Canadian company states that its affairs and activities are subject to inspection by the Municipal and Public Utility Board of Manitoba. The company is also registered with the Ontario Securities Commission, the Superintendent of Insurance in Saskatchewan, the Superintendent of Brokers in British Columbia, the Registrar of the Securities Act in Alberta and Quebec and the Board of Commissioners of Public Utilities in New Brunswick. It is subject to the laws administered by those officials which are applicable to the company and it files a monthly statement with government officials in each province in which it is licensed.

The company maintains a deposit of assets with the Toronto General Trust Corporation, Toronto, under a trust agreement authorized by the Act incorporating the company in an amount equal at all times to the company's total liabilities upon all outstanding investment contracts. As a rule, investments of this company follow closely along the lines of those permitted to life insurance companies or trustees in Canada.

At Dec. 31, 1946, total assets were reported at $12,701,637 ($8,353,644 a year before) as compared to liabilities for contract reserves of $11,547,973 ($7,596,810). Bulk of the assets was represented by investment in marketable securities which totalled $8,202,439 on the company's books and which, it reports, had market value of $8,558,398. The main other assets consisted of $3,843,827 of first mortgages on real estate.

A list of investments held at Dec. 31, 1946, indicates as follows:

Bonds	Book Value
Dom. gov't & gtees	$1,633,434
Prov. govt. & gtees	446,630
Can. municipal	175,583
CPR perpetuals	148,875
Can. industrials	2,071,745
Can. utilities	1,314,201
Stocks	
Preferred	1,327,978
Bank	368,729
Common	644,196

There can be little criticism of the actual investments held.

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of Canadian Industry

Some 600 cities, towns and municipalities in the Province of Quebec are served by the Shawinigan Water and Power Company. The pulp, paper, aluminum and other great industries also obtain power from this same source. Because of the bountiful supply of hydro-electric energy, Shawinigan produces by harnessing tributaries of the St. Lawrence, new industries have been attracted to this area creating employment for hundreds of thousands of Canadians.

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Come on up, the water's fine!

A swimming pool on the garage roof? Why not? Farsighted designers of modern homes are stressing more and more the use of flat roofs for convenient sun decks and recreation areas. The house with the roof-top pool is on the way.

These imaginative architects have found the roofing industry keeping pace with the most modernistic of their ideas. They have found, for example, that built-up industrial roofs, with their tight, waterproof protection, such as the Barrett Specification* roof, suggest a practical method for making roof-top pools a reality.

Barrett* roofings bring you tomorrow's designs today. Leading the shingle field is the attractive and durable Broad Shadow Shad-O Band* Asphalt Shingle with the patented built-in shadow line. For the flat-roof home of the future, a built-up roof similar to the famous Barrett Specification* roof.

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New Model Hotel Fire Safety Law Approved by Fire Marshals' Body

To ensure reasonable life safety in hotels from fire, smoke and panic caused thereby a model hotel fire safety law was recently approved by the Fire Marshals' Section of the National Fire Protection Association.

It is expected to serve as a guide to both provincial and state legislative bodies in Canada and the United States in any revision of fire prevention or fire protection laws.

It aims at safe construction equipment operation and maintenance of hotels as regards fire hazards.

Won't Displace Existing Laws

It is not suggested that the proposed law should displace any existing local building or fire codes legally adopted by any legislative body, provincial or municipal. The purpose of the proposal is simply to provide a working basis for improvement of fire protection legislation.

Here are some of the more important clauses in the proposed law.

Every new hotel and every addition to an already existing hotel must be of fire resistive construction if more than two stories high. By fire resistive construction is meant construction of non-combustible materials such as to withstand, without structural collapse, a complete burnout of the contents (provided that every structural part of such hotel building shall resist fire for at least one hour, before failing).

If any addition is being made to a hotel that does not comply with these conditions, such addition must be separated from the original structure by a firewall with all openings protected by fire doors.

Smoke Barriers Every 150 Feet

No more than 150 feet of corridor shall be permitted without a barrier against the lateral passage of smoke. The fire marshal may order fire walls or smoke barriers in new buildings where he considers necessary.

In new or existing hotel buildings, all interior stairways used as exits, except stairways to a mezzanine and open stairways permitted in buildings two stories or less high, shall be enclosed so as to provide a safe exit to the outside.

In existing buildings where structural factors make it difficult to provide masonry or other enclosures of types commonly used, substantial protection may be secured by providing lightweight non-combustible enclosures such as wired glass and metal frames.

In existing hotels, it is realized, the enclosure of stairways between lobby and basement may present a difficult problem. Where a complete stairway enclosure is not practicable, substantial safety may be secured by providing a partition and an approved door at the basement level near the foot of the stairs. Size and character of combustible materials and equipment in the basement and the danger to lives on the upper floors may influence the type and scope of protection to be provided in such cases.

Fire Marshal's Authority

Openings other than stairways should be closed in a manner approved by the fire marshal. But the fire marshal should have power to waive any such regulations if life safety is not endangered.

All enclosed stairways, elevator and other shafts should be ventilated to the outside of the building at or near the top of the shafts.

There should be at least two means of egress providing two independent exits of the occupants of each floor, with the distance from any room door to the exit not to exceed 100 feet. The fire marshal may, at his discretion, order installation of more means of exit.

Access to all interior and exterior stairways must be unobstructed, and not through any room used as a bedroom or bathroom and the access must not be veiled by ornaments or decorations, etc.

Halls and corridors leading to exits must be kept unobstructed.

Walls and ceilings of corridors leading to emergency exits must be surfaced by plaster or other non-combustible or fire-resistant material, except for necessary wood trim, doors, etc.

Thicknesses of Wall Paper

Several thicknesses of wall paper are declared to be fire hazardous. In some cases the fire hazard may be removed by covering with a non-combustible material.

All exits must be kept unobstructed and any stairs or doorways which are not unobstructed and may be mistaken as open exits must be clearly marked to indicate they are not exits. Many lives have been lost where people have endeavored to escape through passages intended for interior service or which don't lead outside, the report of the fire marshal points out.

All stairs and doorways should be clearly marked to show where they lead and the direction of travel to the street.

All exit doors should be at least 30 inches wide and open in the direction of exit travel.

Doors and casement windows used in connection with exits to an outside stairway should be hinged to open outwards.

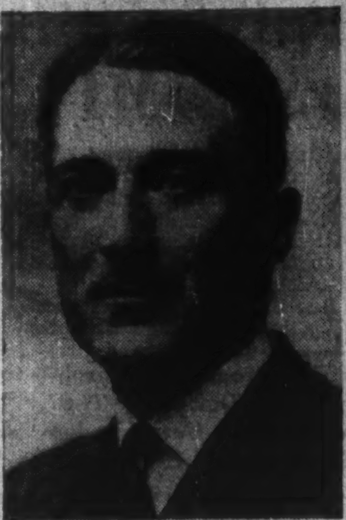
Automatic Sprinklers

Any hotel, not of fire resistive construction, three or more stories high or any two-story hotel with 25 rooms above the first floor should install an automatic sprinkler system unless the fire marshal accepts as a substitute an approved automatic fire detection system.

Sample rooms, mercantile spaces, etc., must be separated from the rest of the hotel by approved fire partition walls.

Every hotel must be provided with an approved fire alerting system to arouse all occupants of the hotel.

The hotel owner shall be responsible for establishing patrols employing watchmen, etc., considered necessary for protection of the premises.



ALISTAIR M. CAMPBELL

Actuary for the Sun Life Assurance Co. of Canada has been elected president of the Canadian Association of Actuaries.

1792 1947

NORTH AMERICA

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Dated at Toronto this 6th day of June, 1947.

B. C. DAHLMANN,
Resident Vice-President.

Canada Life Assurance Co. Celebrates Its Centennial

This is Old Home Week at the head office of the Canada Life Assurance Co. at Toronto.

At a three-day gathering of representatives of all departments in Canada, the British Isles, Hawaii and the United States, the company celebrated its centennial.

Essentially a family gathering, the celebration consisted of a variety of luncheons, dinners and meetings with a great Centennial dance on Wednesday night. Over 1,400 are estimated to have attended at least some of the functions, with about 650 coming from points outside Toronto, scattered from the British Isles to Hawaii.

Highlights of the gathering were a Centennial dinner Tuesday night, a dinner of the Quarter Century Club, and the Centennial dance Wednesday night.

Since it was founded in 1847, the Canada Life has had 10 presidents of which four were present at the hundredth anniversary: H. C. Cox, (now chairman of the London Board, Hon. Leighton McCarthy (now chairman of the investment committee), A. N. Mitchell (now chairman of the Board), and S. C. McEvenue (present president).

At the Centennial dinner, Mr. McEvenue stated that the three preceding presidents had occupied the president's chair for an aggregate of 32 years, been directors for a total of 87 years, served with the company in various capacities for 121 years. He noted that this was the first 100-year celebration for any Canadian life insurance company, the next in age being 23 years younger.

A. N. Mitchell stressed the word "safety" as indicating the general motto of the company. In the general field of life insurance, he said, all the managements of the company had sought to put security first combined with a progressive outlook.

Mr. McCarthy warned that great as the company's history was, it could not afford to bask in the glories of the past but must carry on its traditions into the future. There was no greater factor in building a company than character, he declared.

Arrangements for the celebration were made by a committee with E. C. Gill, general manager, as honorary chairman and T. H. Gooch, director of agencies, as chairman.

At the end of 1946, the company reported over $1 billion life insurance in force, exclusive of annuities, with $350 millions of assets. History of the company was reviewed in The Financial Post, Jan. 18.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

JASON MINES is seeking shareholders' approval to an increase in capital of one million shares to finance proposed development and restore ore reserves, President E. M. Thomson states in 1946 annual report. The mill operated during the final four months, treating 9,956 tons for bullion production of $77,931, an average recovery of $7.83 per ton.

Consulting Engineer Paul Armstrong has made the following recommendations for No. 1 mine: 1. The third compartment shaft, now slashed to surface, be timbered and equipped with the hoist already purchased. 2. Drifting be resumed on several levels both to north and south, to open up extensions of presently known and mined ore shoots and thus to build up ore reserves. 3. Exploration of foot — as well as hanging walls of No. 1 vein — for additional, parallel vein or veins be immediately started by systematic diamond drilling from No. 1 vein levels.

Ore reserves totalled 43,940 tons averaging $14.28 as at Dec. 31, 1946.

INCOME ACCOUNT

4 Mos. Ended Dec. 31:	1946
Bullion recovery	$77,931
Less: Oper. exp.	136,530
Operating loss	58,599
Add: Depr.	31,294
Dev. exp., etc., w/o	16,668
Less: Misc. inc.	718
Net loss & deficit	105,843

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & bullion	$23,775	$28,008
Dom. bonds	......	79,000
Accts. rec.	2,158	615
Mat. & supplies	52,737	42,411
Total curr. assets	78,670	150,034
Invests.	......	44,125
Hydro edp.	20,000	30,019
Misc. assets	17,909	15,455
Mng. cls. & bldgs.	853,037	822,147
Def. dev., etc.	710,618	522,347
Stock discount	1,825,050	1,825,050
Total assets	3,505,284	3,409,177
Bank loan	48,949	......
Other curr. liabs.	45,517	1,752
Total curr. liabs.	94,466	1,752
Note payable	5,000	......
Conting. res.	8,533	8,603
Depr. res.	313,191	219,310
Capital stock	2,999,005	2,999,005
Earned surplus	85,089	180,307
Working capital	†15,796	148,282

†Excess of curr. liabs. over curr. assets.

STOWELL SCREW CO. net profits were 32.16% higher at $18,640 in 1946. Disruption caused by short supply of basic raw materials due to the prolonged strike in the steel and brass industries, forced the company to operate under the most severe handicap, President John M. Boulard states.

The company sold $155,000 in 3¼% 1st mortgage serial bonds on a favorable basis to provide adequate funds to permit execution of a program of modernization and enlargement of manufacturing facilities, now under way with several machines delivered and in operation. The company reports addition of several new outlets for its products. Orders on books are sufficient to maintain capacity operations for the balance of the current year. Export markets are still available, but raw material deliveries are not sufficient to fully enjoy this profitable market.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$46,097	$33,126
Less: Depr.	14,276	10,641
Bond int.	69	......
Income tax	13,112	8,994
Net profit	18,640	13,491
Less: Cl. A divds.	11,250	5,625
Com. (old) divds.	......	2,500
Surplus for year	7,390	5,366
Earnings per Share and Dividend Record:		
Cl. A: Earned	$2.49	$1.80
Paid	1.50	0.75
Cl. B: Earned	0.42	†0.13
None paid.		

†After full year cl. A divd.

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$122,555	$7,763
Accts. rec.	44,958	33,596
Inventories	92,413	87,760
Total curr. assets	259,926	129,119
Misc. assets▲	17,144	17,703
Fixed assets*	412,548	383,094
Total assets	689,618	529,916
Total curr. liabs.	59,344	57,335
Mortgage pay.	......	6,433
Funded debt	155,000	......
Capital stock	50,000	50,000
Capital surplus	278,171	278,171
Earned surplus▲	147,103	137,977
*After depr. of	25,241	10,965
▲Incl. ref. EPT	16,388	16,388
Working capital	200,582	71,784

CANADIAN VICKERS net profit for the year ended Feb. 28, 1947 was off 53.6%. The year was one of the most difficult for management since 1940. While the company was free of labor discord, other problems included shortages of essential materials. This feature was further aggravated by inability of subcontractors to supply necessary components in quantity and in time. These difficulties made it impossible to maintain estimated production schedules and, as they continue into the current year, their full impact yet remains to be realized, it is stated. The company has been engaged entirely on commercial orders and, due in part to delays, has on hand sufficient orders to carry into 1948.

Additional lines are being explored with the view of utilizing the company's facilities to the greatest advantage possible, in the event that the building of ships and the manufacture of power plants and other equipment, grow dormant.

INCOME ACCOUNT

Years Ended Feb. 28:	1947	1946
Net earnings	$1,587,746	$2,750,134
Add: Other inc.†	139,463	64,127
Less: Bond int.	60,927	155,053
Depreciation	289,789	175,438
Income tax res.	868,892	1,389,281
Net profit & surplus	507,601	1,094,489

†Incl. invest. income and profit (net) on sale of assets.

Times Bond Interest Earned:		
Before deprec.	26.06	17.74
After deprec.	21.30	16.61
Earnings per Share and Dividend Record:		
Pref.: Earned	$25.38	$54.72
Com.: Earned	6.94	18.01
None paid.		

CONDENSED BALANCE SHEET

As at Feb. 28:	1947	1946
Cash & Dom. bds.	$2,741,837	$2,357,129
Accts., etc., rec.	1,332,555	6,657,321
Inventories	1,741,892	1,171,330
Total curr. assets	5,816,284	10,185,780
Bonds, in trust	1,263,805	......
Invest. & adv. sub.	866,715	512,533
Misc. assets▲	1,031,945	1,095,139
Fixed assets‡	3,084,132	3,332,383
Total assets	12,062,881	15,125,837
Total curr. liab.	2,233,500	4,669,151
Liab. re contr.	1,263,805	......
Funded debt	......	2,288,000
Misc. liabs.	991,678	1,227,655
Reserves	446,811	447,036
Capital stock	4,415,000	4,415,000
Deferred surplus▲	749,132	691,730
Earned surplus	1,962,955	†1,387,265
‡After depr. of	6,082,816	5,794,650
▲Incl. ref. EPT	749,132	691,730

†Reflects adjust. of war contracts and other items, less prov. for plant reconversion and guarantee of sub. bonds.

Working capital	3,582,784	5,516,029

PURITY FLOUR MILLS has advised that an additional 805 cumulative redeemable preference shares have been purchased in the open market and redeemed and cancelled, thereby reducing the number outstanding to 38,238 shares.

CANADIAN CANNERS has advised that an additional 803 convertible preferred shares have been exchanged for an equal number of common shares, thereby making the issued capital as at May 31 as follows: 190,241 first preferred shares, 303,501 convertible preferred shares and 187,429 common shares.

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Head Office for Canada: Victory Bldg., TORONTO

W. C. BUTLER, Manager for Canada. H. G. FLOWER, Asst. Manager

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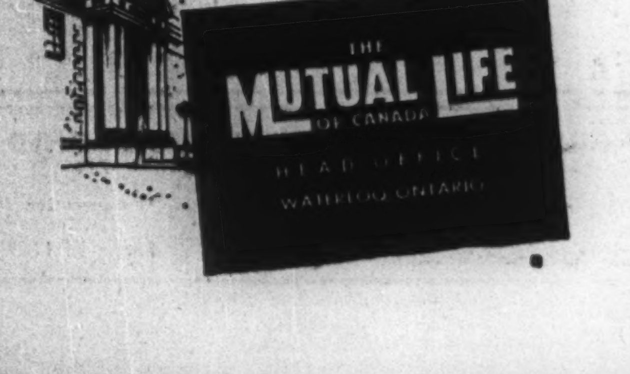

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Public Deposits in Chartered Banks Set New Record at $5.8 Billions

Public deposits in the chartered banks of Canada are at a new high record at $5.8 billions, the return of the banks to the finance minister as at April 30 reveals. The total exceeds the previous high record of $5,792 millions, established Oct. 31, 1946, by $11 millions.

Savings deposits totalled $3.6 billions, a gain of almost $18 millions over the previous high record set in March, while demand deposits were up $170 millions over the previous month but still below the high level of $2,315 millions of Oct. 31 last.

Reflects Employment Level

The rise in deposits bankers say reflects the continued high level of employment and wages with spending for various lines of consumer goods still restricted by shortages. In some cases it is said to be due also to resources being mobilized for income tax payments and future needs.

Dominion Government deposits were $66.8 millions lower but provincial deposits were up $46 millions on the month reflecting probably subsidies paid the provinces by the Dominion Government, etc.

Loans continued to expand, the total on April 30 exceeding $1.7 billions, a gain of $49.1 millions. Current loans representing mainly loans to business were up $74 millions but call loans affected by quieter stock markets were lower. Provincial borrowings were down slightly, municipal borrowings slightly higher.

The increase in current loans, bankers say, comes mainly from industrial and mercantile concerns, which are using bank credit to finance their business to an ever-increasing extent, as business gets free of government controls. Higher prices of materials and wages have also been a factor increasing the demand for loans.

Foreign Loans Up

Foreign business of the banks, as reflected in current loans, was higher than in the previous month and a year before. Call loans abroad were lower on the year and the month both. Foreign deposits were down on the month but $17 millions higher than the year before.

Banks' cash rose $24 millions on the month to $719.3 millions.

Important figures in the statement with comparisons follow.

Use of Bank Credit in Canada
(In Millions of Dollars)

	April, 1947	March, 1947	Change	April, 1946	Change
Loans	1,725.3	1,676.2	+49.1	1,311.8	+413.5
Investments	4,348.5	4,239.1	+109.4	4,242.6	+105.9
Total	6,073.8	5,915.3	+158.5	5,554.4	+519.4
Deposits	5,803.4	5,615.0	+188.4	5,416.0	+387.4
Credit index*	29.7%	29.9%	—0.2%	24.0%	+5.7%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

ASSETS
Immediately Available Liquid Assets
(In Thousands of Dollars)

	April, 1947	March, 1947	Change	April, 1946	Change
Canadian coin	11,917	11,545	+372	11,211	+706
Bank of Canada notes	164,821	147,284	+17,537	154,482	+10,339
Bank of Canada deposits	542,566	536,263	+6,303	555,801	—13,235
Banks' cash	719,304	695,092	+24,212	721,494	—2,190
Gold sub. coin abd.	2,877	2,734	+142	2,744	+153
Foreign banks	191,040	238,058	—47,018	239,048	—48,008
Foreign currency	101,839	99,709	+2,130	87,665	+14,174
Call loans abroad	79,031	83,535	—4,504	106,070	—27,039
Government securities:					
Dom. short term	955,658	1,022,638	—66,980	1,545,078	—589,420
Prov. short term	121,019	125,430	—4,411	107,103	+13,916
Dom. long term	2,210,611	2,180,242	+30,369	1,841,296	+369,315
Prov. long term	336,941	248,354	+88,587	215,198	+121,743
	4,718,320	4,695,792	+22,528	4,805,696	—147,376
Loans and Other Securities Other Than Those of Canadian Government					
Municipal secs.	177,746	170,269	+7,477	98,816	+78,930
Public secs.▲	304,377	260,110	+44,267	277,305	+27,072
Other secs.	242,190	232,106	+10,084	157,854	+84,326
Can. call loans	97,016	120,797	—23,781	151,820	—54,804
Current loans	1,581,155	1,506,987	+74,168	1,113,796	+467,359
Loans abroad	200,489	187,687	+12,802	151,868	+48,621
Prov. loans	5,062	6,583	—1,521	16,740	—11,678
Mun. loans	42,070	41,852	+218	29,463	+12,607
	2,650,105	2,526,391	+123,704	1,997,672	+652,433
Other Assets					
Noncurrent loans	953	934	+19	909	+44
Real estate	789	790	—1	1,861	—1,072
Mortgages	1,528	1,578	—50	1,793	—265
Premises	65,960	65,752	+208	64,349	+1,611
Letters of credit	220,939	220,703	+236	166,383	+54,556
Loans to comp.	11,047	11,085	—38	10,690	+357
Other assets	5,663	5,755	—92	9,706	—4,043
	306,879	306,597	+300	250,691	+56,188
Total	7,675,304	7,528,780	+146,524	7,114,059	+561,245
Note circ. dep.	1,337	1,336	+1	1,696	—359
Int. bank bal.	293,698	268,596	+25,102	257,840	+35,858
Gross	7,970,339	7,798,712	+171,627	7,373,595	+596,744

LIABILITIES
To the Public

	April, 1947	March, 1947	Change	April, 1946	Change
Circulation	20,469	20,681	—212	24,104	—3,635
Dom. Govt.	368,745	435,626	—66,881	359,560	+9,185
Prov. Govt.	183,911	137,324	+46,587	122,322	+61,589
Deposits by Public					
Demand dep.	2,166,166	1,995,714	+170,452	2,178,508	—12,342
Savings dep.	3,637,279	3,619,323	+17,956	3,237,508	+399,771
Total	5,803,445	5,615,037	+188,408	5,416,016	+387,429
Foreign Deposits					
Dep. elsewhere	789,245	797,345	—8,100	772,140	+17,105
For. curr. in Canada	91,165	88,007	+3,158	64,559	+26,606
Total	880,410	885,352	—4,942	836,699	+43,711
Due to Banks Abroad					
United Kingdom	29,844	30,651	—807	32,040	—2,196
Foreign	98,345	95,576	+2,769	91,660	+6,685
Letters of credit	220,939	220,703	+236	166,333	+54,556
Other liab.	2,626	2,571	+50	2,877	—251
Total public liab.	7,608,734	7,443,522	+166,212	7,051,661	+557,073
Due other banks	21,767	21,000	+767	20,012	+1,755
Adv. from Bank of Can.	4,000	......	+4,600	......	+4,000
Liability to Shareholders					
Dividends	3,166	1,518	+1,648	3,117	+49
Reserve	176,750	176,750	.....	136,750	+40,000
Capital stock	145,500	145,500	.....	145,500	.....
Gross	7,959,917	7,788,290	+171,627	7,357,040	+602,877

▲Other than Canadian.

Staff Changes

The Bank of Montreal announces the following staff changes:

A. C. JENSEN, superintendent at head office, to be an assistant general manager.

E. E. RUTHERFORD, superintendent at head office, to be manager Montreal Main Office.

T. C. BOWEN, assistant superintendent at head office, to be superintendent, Quebec and Maritime provinces and Newfoundland district branches.

R. H. FRY, of head office, to be an assistant chief accountant.

G. O. VANDERVOORT, accountant Camrose, Alta., to be manager at branch recently opened on full-time basis at Killam, Alta.

• • •

The Bank of Montreal announces the following staff changes:

W. J. H. BLAIR, manager Athens, Ont., to be manager Elora, Ont.

C. E. SHAW, manager Elora, Ont., to be manager Ingersoll, Ont.

F. M. ALLAN, accountant McGill and St. Paul St. branch, Montreal, to be manager at branch shortly to be opened St. Lawrence Blvd. and Jean Talon St., Montreal.

R. W. SCOTT, of Edmonton, to be manager of branch to be operated during tourist season at Banff Springs Hotel.

B. R. MAHON, of St. Lawrence Market branch, Toronto, to be manager of branch to be operated during tourist season at Chateau Lake Louise.

• • •

The Bank of Nova Scotia announces the following staff changes:

C. A. BEACOM, to be manager Black's Harbour, N.B.

C. P. JONES to be manager Arnprior, Ont.

J. W. NICOLSON to be manager Sutton West, Ont.

H. L. CUMMING to be assistant manager Ottawa, Ont.

J. M. HAYMAN to be an assistant manager Halifax, Ont.

G. E. JOHNSTON to be accountant Ottawa, Ont.

W. P. SCOTT to be accountant Portage la Prairie, Man.

• • •

The Bank of Toronto announces the following staff changes:

G. D. WOOLLEY to be manager Yonge and St. Clair, Toronto, succeeding R. C. Waram.

T. R. MENZIES, formerly manager Barrhead, Alta., transferred to supervisors department at head office.

C. E. BEIRNES, formerly manager Coronation, Alta., to be manager Barrhead, Alta.

B. COLLINS, manager Kyle, Sask., to be manager Coronation, Alta.

N. E. WEAVER, manager Mazenod, Sask., to be manager Kyle, Sask.

H. F. DEUTSCHER, Edmonton staff, appointed to be manager Mazenod, Sask.

J. M. REINHEIMER, formerly manager Montmartre, Sask., to be manager at Cardston, Alta.

JAS. SOUTER, manager Sherbrooke and Westminster, Winnipeg, to be manager Academy Road and Niagara St., Winnipeg.

O. R. HARPER, accountant Calgary, appointed to be manager Sherbrooke and Westminster branch, Winnipeg.

E. BROWN, manager at 205 Yonge Street, Toronto, transferred to supervisors department at Head office.

W. B. YOUNG, head office inspection staff, to be manager at 205 Yonge Street, Toronto.

H. A. ACKERMAN, formerly accountant St. Clair and Christie Sts., Toronto, to be manager Avenue Road and Fairlawn, Toronto.

E. J. REID, accountant Sarnia, Ont., to be acting manager Blue Water branch, Sarnia, Ont.

A. H. STEPHENSON, accountant Market branch, Hamilton, to be accountant Hamilton Main Office.

E. R. GILLELAND, assistant accountant at market branch, Hamilton, to be accountant at that branch.

W. H. B. BURNHAM, formerly accountant Danforth and Dewhurst, Toronto, to be accountant St. Clair and Christie, Toronto.

N. A. SWALLOW, accountant Yonge and Belsize Drive, Toronto, to be accountant Danforth and Dewhurst, Toronto.

J. H. SIMPSON, formerly accountant Bloor & Royal York Road, Toronto, to be accountant Yonge St. & Belsize Dr., Toronto.

E. L. WILLARD, formerly at West Toronto Branch, to be accountant Bloor and Royal York Road, Toronto.

R. C. WARAM, formerly manager Yonge and St. Clair branch, Toronto, retires.

• • •

The Royal Bank of Canada announces the following staff changes:

A. E. HOCKLEY, manager Owen Sound, Ont., to be manager Leaside, Ont.

J. E. PALFREY, securities custodian, Windsor, N.S., to be manager Barrington Passage, N.S.

J. J. RESCH, accountant Port Arthur, to be manager Erickson, Man.

W. R. CUNNING, supervisor's department, Calgary, to be accountant Jasper Ave. West, Edmonton.

T. R. McCULLOUGH, accountant Port Dover, Ont., to be accountant Sarnia.

L. J. N. RIOPAL, accountant Drummondville, Que., to be accountant Atwater and Notre Dame, Montreal.

H. M. BADCOCK, accountant Montreal Airport, to be accountant Sherbrooke and Decarie, Montreal.

J. H. COULTER, assistant accountant St. Thomas, Ont., to be accountant, Port Dover, Ont.

J. W. MONTGOMERY, assistant accountant, Fort Erie North, to be accountant Brampton, Ont.

R. A. WILLIAMS, assistant accountant, Van Horne and Outremont, Outremont, Que., to be accountant Montreal Airport.

—Blank-Stoller photo.

A. S. TURNBULL

has been appointed manager of General Services of Canadian Liquid Air Co., of which he has been General Sales Manager since 1921.

COMPANY REPORTS

LEWIS BROS. consolidated net profits increased 156.5% to $179,933 in 1946. Despite continued shortages prevailing in many lines carried by the company, consolidated net sales were 32.5% higher than in 1945, President F. Wragge states.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Gross profit	$998,597	$714,225
Net earnings	424,047	169,787
Less: Depr.	21,199	15,001
Int. & disc. (net)	21,636	8,373
Income tax	201,279	76,266
Net profit	179,933	70,147
Less: Com. divds.	112,575	22,515
Old stk. divds.	......	22,515
Surplus for year	67,358	25,117
Earnings per Share and Dividend Record:		
Common: Earned	$1.20	$0.47
Paid	0.60+0.15	0.15
Old stk.: Paid	......	5.00

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$149,346	$179,151
Mkt. bonds†	295,009	401,200
Accts. rec.	478,419	369,906
Inventories	754,995	566,997
Total curr. assets	1,677,769	1,517,254
Misc. assets▲	95,760	124,132
Constr. in prog.	54,744	......
Fixed assets*	426,631	399,099
Total assets	2,254,904	2,040,485
Total curr. liab.	772,743	638,756
Deferred liab.	......	4,000
Capital stock	450,300	450,300
Capital surplus	6,000	2,375
Earned surplus▲	1,025,861	945,054
†Mkt. value	292,749	408,215
*After depr. of	184,602	173,133
▲Incl. ref. EPT	45,077	45,077
Working capial	905,026	878,498

EASTERN UTILITIES 1946 net profit was up 7%. Income from investments has increased again this year, and the public utility subsidiary companies have been actively engaged on plans for expansion. The manpower situation has improved and substantial orders have been placed for materials. Operations will be seriously curtailed in the coal mining subsidiary.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net revenue	$161,714	$157,519
Less: Debent. int.	39,271	43,202
Net profit	122,443	114,317
Less: Pref. divds.	15,125	15,125
Surplus for year	107,318	99,192
Times deb. int. earned	4.12	3.65
Earnings per Share and Dividend Record:		
Pref.: Earned	$4.45	$4.16
Paid	0.55	0.55
Common: Earned	4.29	3.97
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Total curr. assets	35,479	38,143
Invest. in subs.	2,712,395	2,712,395
Total assets	2,747,874	2,750,538
Total curr. liab.	15,693	17,807
4½% debentures	812,000	916,000
Capital stock	1,403,103	1,403,103
Earned surplus	517,078	413,628
Working capital	19,786	20,336

BANK OF CANADA

	June 4 1947	May 28 1947
Liabilities	$	$
Capital paid-up	5,000,000	5,000,000
Notes in circ.	1,151,507,344	1,147,121,237
Rest fund	10,050,367	10,050,367
Deposits: Dom.	188,750,379	170,809,366
Chart. banks	467,790,358	488,365,263
Other	63,163,201	67,264,184
Total deposits	719,704,138	726,438,813
Liabs. pay. in sterling, U.S.A. and for'n gold currencies		
Deposits	958,496	958,496
Other	16,831	16,831
Total	975,327	975,327
All other liabs.	24,441,188	15,138,033
Total liabs.	1,911,678,364	1,904,722,777
Assets		
Sterling & for'n. exchange	975,327	975,327
Subsid. coin	389,294	395,471
Investments:		
Dom. go'vt. sh.	1,131,392,213	1,132,647,587
Oth. Dom. govt.	738,842,437	730,430,993
Other secs.	15,000,000	15,000,000
Total invest.	1,875,234,650	1,878,078,580
Premises	2,453,441	2,453,440
All other assets	32,625,652	22,819,959
Total assets	1,911,678,364	1,904,722,777

Reopen Refinery At Wallaceburg

From Our Own Correspondent

CHATHAM, Ont.—Decision to reopen the Wallaceburg refinery of the Canada and Dominion Sugar Co. for processing of raw cane sugar this year is principally attributed by company officials to a scarcity of storage facilities in other centres. The Wallaceburg plant has been idle since 1945.

No date has been set for the opening of the cane run but the first shipment of raw can was expected to arrive in Wallaceburg this week. The plant will employ some 350 men. Its reopening will not affect the Chatham factory, which will process the 1947 crop, the company reports. As at June 2, 27,000 acres of sugar beets had been contracted with 27% of this acreage sown. Contracting is continuing.

The *new* Royal Muskoka Hotel offers you everything for the more exclusive and gracious holiday. Relax and rest in carefree comfort, or play as you wish. Enjoy tennis on fast clay courts, golf on a sporty, lakeside course—professionally kept—swimming, beach sports, sailing, boating, launch trips and lake cruises. Meals, under a famous chef, are superb—in both dining room and new coffee-shop. Music and dancing every night with excellent orchestra—then sleep restfully in the spicy, pine-laden coolness. All bedrooms newly furnished and redecorated. Comfortable steamheating (rooms and corridors) for chilly evenings. The *new* Royal Muskoka—under the management of the famous Fort Montagu Beach Hotel at Nassau—extends every personal interest in your comfort to make for a distinctive, long-remembered holiday.

For reservations, or for Convention facilities, telephone ELgin 6552, Toronto, or write to:

THE NEW Royal Muskoka

DUN & BRADSTREET of CANADA, Limited

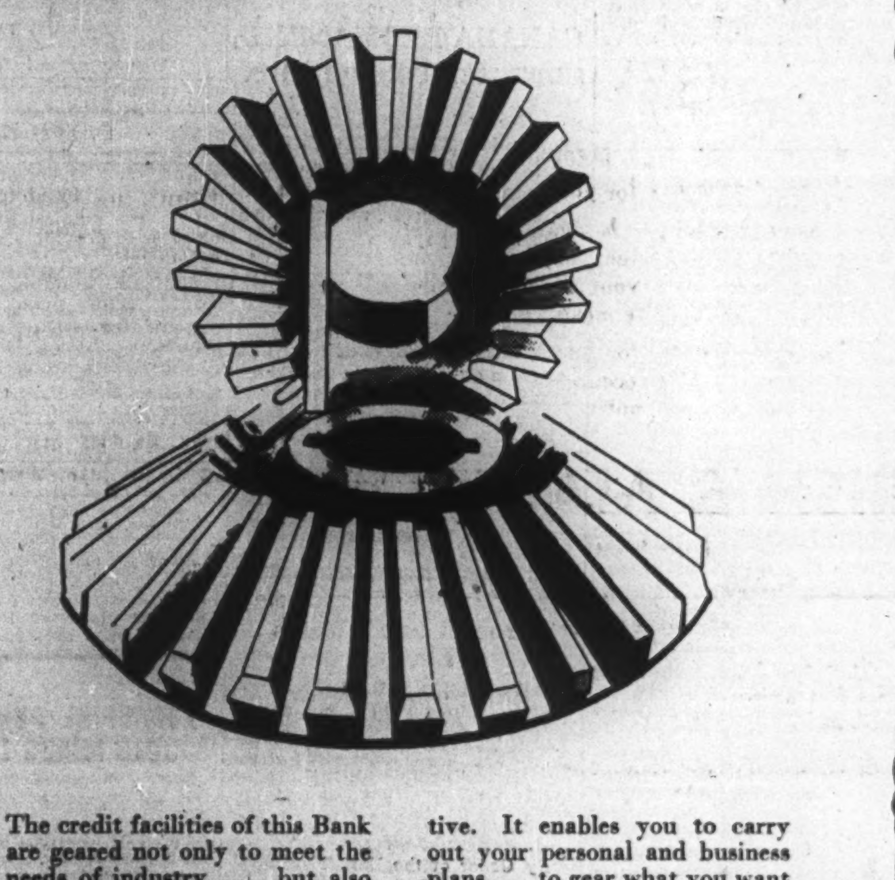
The Mercantile Agency

ESTABLISHED 1841

20 Offices in the Dominion

LOANS . . .

that are geared to your Needs



The credit facilities of this Bank are geared not only to meet the needs of industry . . . but also the individual needs of men and women planning for the future. Bank credit is often necessary. The Bank of Toronto has helped generations of enterprising Canadians with loans.

The function of Bank credit is essentially creative and constructive. It enables you to carry out your personal and business plans . . . to gear what you want to do with what you are actually able to do.

It may be that your own plans involve certain credit needs. Whether they are large or small, bring them to us and let's see what can be done to set those plans in motion.

THE BANK OF TORONTO

Incorporated 1855

B. S. VANSTONE, General Manager

8-D-47

SASKATOON IS GROWING

In April the following increases were shown over April 1946:

Post Office Revenue 13%

Street Railway & Bus Receipts 80%

Passengers Carried 9%

Electric Power Consumption 33%

Excise Tax Collections 33%

Bank Clearings 1%

SASKATOON BOARD OF TRADE

THE SAFE ENCLOSURE FOR ALL MESSAGES

BARBER-ELLIS ENVELOPES

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MONTREAL OFFICE 360 St. James Street West

HEAD OFFICE — OTTAWA 224 Wellington Street

TORONTO OFFICE 25 King Street West

PERCY J. WOOD Vice-President

PHILIP B. TOLLER President

D. M. COOLICAN Secretary

FREDERICK E. LAVIS Manager of Sales

IN MONTREAL

Men of affairs naturally stop at the WINDSOR because of its reputation for dignified comfort, unobtrusive, courteous service and its convenient location—and because the WINDSOR is recognized as the proper place for business and social meetings.

THE Windsor

ON DOMINION SQUARE

J. ALDERIC RAYMOND, PRESIDENT

Position of Chartered Banks of Canada as of April 30, 1947, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Deposits by and Bal. Due to Dominion Government	Deposits by and Bal. Due to Provincial Governments	Advances from Bank of Canada Secured	Demand Deposits in Canada	Savings Deposits in Canada	Deposits in Canada in currencies other than Canadian	Deposits Elsewhere	Bal. due to other Banks in Canada	Due to banks in U.K.	Due to Banks Elsewhere	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	5,170,136	114,842,331	59,105,798	....	578,970,074	853,496,592	10,604,094	151,127,617	2,432,855	8,678,615	26,807,670	25,252,875	386,903	737,090	42,000,000	36,000,000	1,915,612,657
Nova Scotia	2,110,629	29,330,581	4,221,908	....	157,401,685	312,628,762	4,839,032	103,770,466	5,236,370	1,135,480	5,984,625	33,430,332	857,518	360,594	24,000,000	12,000,000	697,316,930
Toronto	714,691	21,131,521	4,508,364	....	105,951,768	112,127,395	1,014,632	....	249,198	2,635,576	2,456,195	10,560,754	13,801	181,786	14,000,000	6,000,000	381,845,686
Provincial	402,728	3,521,939	451,679	4,000,000	33,641,699	104,463,952	38,469	....	2,414	102,455	82,053	780,905	20,678	6,873	2,000,000	4,000,000	153,515,248
Commerce	4,240,226	56,504,331	40,203,923	....	413,120,456	678,880,760	14,864,314	107,091,365	3,067,044	4,466,976	11,251,721	38,163,809	316,766	630,833	30,000,000	30,000,000	1,432,792,322
Royal	5300,855	81,663,969	36,516,025	....	568,8[illegible]	522,471,935	45,966,280	414,922,873	5,820	6,094,570	43,516,075	86,219,590	465,208	764,323	40,000,000	35,000,000	2,187,783,509
Dominion	740,824	24,425,062	3,427,792	....	98,288,35[illegible]	174,574,833	5,410,823	12,333,200	3,255,124	1,003,282	1,510,379	10,541,887	367,441	176,128	9,000,000	7,000,000	352,055,129
Nationale	750,047	11,582,188	5,316,101	....	88,205,977	259,426,711	883,821	....	3,852,456	195,833	1,616,939	1,045,552	46,870	133,099	7,000,000	7,000,000	387,085,594
Imperial	939,717	21,523,207	30,149,872	....	114,352,071	312,366,302	1,384,412	....	3,283,568	1,540,469	3,750,158	12,878,995	129,804	176,084	8,000,000	7,000,000	417,474,666
Barclays	99,205	4,219,480	9,234	....	7,356,929	6,841,768	6,158,751	....	381,893	3,991,337	1,369,722	2,064,497	30,601	....	750,000	1,500,000	34,763,421
Total	20,469,058	368,744,609	183,910,696	4,000,000	2,166,166,386	3 637,279 010	91,164,628	789,245,521	21,766,742	29,844,593	98,345,537	220,939,196	2 625,590	3,165,597	176,750,000	145,500,000	7,959,917,221

SUPPLEMENTARY INFORMATION

NAME OF BANK	Capital Authorised	Capital Subscribed	Last Dividend	†Loans to Directors and firms of which they are partners	Greatest Amount of Notes in Circ.	Bills rediscounted with Bank of Canada
	$	$	%	$	$	$
Montreal	50,000,000	36,000,000	8	706,703	5,221,611	....
Nova Scotia	15,000,000	12,000,000	12	1,900,965	2,112,248	....
Toronto	10,000,000	6,000,000	12	404,909	719,846	....
Provincial	5,000,000	4,000,000	6	52,800	409,168	....
Commerce	50,000,000	30,000,000	8	334,600	4,288,984	....
Royal	50,000,000	35,000,000	8	1,099,462	5,376,956	....
Dominion	10,000,000	7,000,000	10	133,588	748,824	....
Nationale	10,000,000	7,000,000	7	138,563	758,217	....
Imperial	10,000,000	7,000,000	10	583,664	946,792	....
Barclays	1,500,000	1,500,000	..	....	100,875	....
Total	211,500,000	145,500 000	....	5,555,252	20,083,121	....

†And loans for which they are guarantors.

ASSETS

NAME OF BANK	Gold and Subsidiary Coin held in Canada	Gold and Subsidiary Coin held Elsewhere	Notes of Bank of Canada	Deposits with Bank of Canada	Notes and Cheques on Other Banks	Govt. and Bank Notes other than Canadian	Balances due by other banks in Canada	Due by banks in U.K.	Due by banks elsewhere	Dom. Gov. Short Term Sec.	Dom. Gov. Long Term Sec.	Prov. Gov. Short Term Sec.	Prov. Gov. Long Term Sec.	Canadian municipal securities
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	2,781,672	42,646	39,499,211	194,053,474	70,349,737	1,089,107	14,226	9,206,578	24,390,515	271,199,664	540,385,847	38,102,920	106,965,473	48,211,925
Nova Scotia	865,579	976,055	16,213,569	32,374,189	7,673,235	22,366,167	....	169,159	15,215,041	72,391,505	175,289,747	8,008,014	15,539,789	9,667,696
Toronto	586,996	....	7,658,913	32,324,846	17,895,106	277,476	....	1,284,537	5,299,656	44,455,444	119,742,929	3,777,430	15,714,301	6,147,493
Provincial	578,348	....	3,881,156	10,002,510	4,563,906	46,854	2,971	....	949,999	23,280,984	30,947,166	4,441,291	24,183,037	10,348,272
Commerce†	1,670,383	174,362	26,082,993	99,434,557	1,818,181	1,825,196	211,635	3,648,810	33,733,107	136,266,654	498,546,373	20,427,904	51,138,396	24,904,840
Canada‡	2,898,597	1,683,748	40,079,285	102,167,030	4,472,387	75,487,598	9,723	16,390,946	55,367,802	228,864,392	566,235,669	36,010,043	70,984,107	38,907,836
Dominion	556,830	397	6,658,505	25,535,447	1,013,140	253,331	....	686,692	6,760,021	64,898,275	83,772,617	856,873	5,343,554	3,904,220
Nationale	1,173,212	....	12,150,549	19,251,140	2,093,222	207,380	1,130,515	405,624	1,557,046	55,635,388	81,186,735	5,387,297	14,821,206	26,607,346
Imperial	799,148	....	10,372,788	24,637,333	15,942,799	273,736	701,643	5,178,462	5,866,899	55,995,759	110,416,639	2,897,158	6,141,282	7,991,274
Barclays	6,129	....	224,522	2,785,058	566,003	11,738	239,834	2,178,446	2,750,586	2,669,827	4,087,638	1,109,710	6,109,805	1,054,815
Total	11,916,894	2,877,208	164,821,491	542,565,590	291,387,716	101,838,583	2,310,577	39,149,254	151,890,672	955,657,892	2,210,611,360	121,018,630	336,940,950	177,745,717

NAME OF BANK	Public Securities other than Canadian	Other bonds and stocks	Call and short loans in Canada	Call and short loans elsewhere	Current loans in Canada	Current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-current loans	▲Real estate other than Bank premises	Bank Premises	Deposit of note circulation	Other assets	*Total assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	64,787,982	74,941,738	11,444,097	35,245,702	320,079,031	12,450,174	1,033,656	10,125,185	322,660	467,520	10,727,208	323,631	3,344,492	1,916,868,943
Nova Scotia	17,587,055	18,657,959	19,503,195	5,972,810	160,457,760	34,677,315	588,331	2,860,457	56,719	15,110	6,179,951	123,606	1,354,723	699,015,078
Toronto	....	12,314,117	6,946,983	....	91,791,949	....	....	1,079,147	22,418	8,241	3,653,228	43,262	256,656	381,841,862
Provincial	....	2,410,132	5,110,081	....	24,733,357	....	7,296	3,462,042	25,694	226,751	1,701,604	28,968	109,545	153,821,877
Commerce†	65,920,703	26,877,640	16,663,406	9,209,081	280,880,6[illegible]	27,698,590	2,518,801	4,458,772	178,771	526,856	15,586,181	300,000	4,285,252	1,475,151,962
Canada‡	147,127,911	84,081,912	21,461,434	23,801,296	359,300,934	122,110,651	119,372	8,038,640	279,057	539,538	10,807,276	350,000	5,450,206	2,180,252,923
Dominion	4,121,000	5,951,537	3,486,408	4,799,080	100,437,968	3,552,008	....	1,899,318	17,298	32,039	4,877,772	51,210	407,928	352,415,864
Nationale	600,608	8,583,008	5,222,311	....	105,704,454	....	560,638	7,814,293	17,677	500,575	5,355,843	49,430	425,665	387,491,754
Imperial	....	8,367,383	6,889,406	....	134,353,098	....	203,972	2,531,961	27,769	....	6,022,161	59,072	68,925	418,615,672
Barclays	4,231,497	....	288,930	....	3,413,808	....	....	....	4,722	....	1,047,944	8,043	9,823	34,862,264
Total	304,376,756	242,190,425	97,016,271	79,030,855	1,581,155,036	200,488,738	5,062,046	42,070,314	952,785	2,316,630	65,959,168	1,337,219	16,711,041	7,970,339,116

*The business of the Bank in San Francisco, U.S.A., is carried on under the name of a locally incorporated company and the figures are incorporated in the above return.—Footnote to Bank of Montreal return.

†The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to Canadian Bank of Commerce return.

▲Includes mortgages.

▲Includes $220,939,196 letters of credit outstanding as shown in liabilities.

‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the Bank in Paris and the assets and liabilities of The Royal Bank of Canada (France) are included in the above general statement.—Footnote to The Royal Bank of Canada Return.

DIVIDEND NOTICES

ESSEX PACKERS LIMITED

NOTICE IS HEREBY GIVEN that the Fourth regular quarterly dividend of 1¼% (being at the rate of 5% per annum) for the period ending July 2nd, 1947, has been declared on the outstanding First Preference shares of the Company, payable July 2nd, 1947, to shareholders of record at close of business June 16th, 1947.

By Order of the Board.

J. R. Holman,
Secretary-Treasurer.

Hamilton, June 5th, 1947.

Canadian Celanese Limited

1401 McGill College Avenue,
MONTREAL, P.Q., CANADA

The Board of Directors has this day taken the following action with respect to Dividends:

PREFERRED SHARES, $1.75 SERIES

Forty-three and three-quarter Cents (43¾c) per share, which shall be deemed to be for the three months period from April 1, 1947, to June 30, 1947, has been declared payable June 30, 1947, to the holders of record at the close of business on June 14, 1947.

PREFERRED SHARES $1.00 SERIES

Twenty-five Cents (25c) per share, which shall be deemed to be for the three months period from April 1, 1947, to June 30, 1947, has been declared payable June 30, 1947, to the holders of record at the close of business of June 14, 1947.

COMMON STOCK

Fifty Cents (50c) per share in respect of the second quarter of 1947 has been declared payable June 30, 1947, to the holders of record at the close of business on June 14, 1947.

R. O. GILBERT,
Secretary.

June 3, 1947.

Sun Life Assurance Company of Canada

Head Office: Montreal
— Stock Transfer Department —

Notice is hereby given that a dividend of four dollars twenty-five cents ($4.25) per share on the Capital Stock of the Company has been declared for the quarter ending June 30th, 1947, and will be paid on July 1st, 1947, to shareholders of record at the close of business June 16th, 1947.

The Stock Transfer books of the Company will be closed from June 17th to June 30th, both dates inclusive, for preparation of the above dividend.

By Order of the Board,

F. J. CUNNINGHAM,
Secretary.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given that a dividend of $1.25 per share, upon the paid-up Capital Stock of this Company, has been declared for the current quarter, and that the same will be payable on and after

1st July, 1947

to shareholders of record on the books of the Company at the close of business on the 14th instant.

By order of the Board,

P. SIMMONDS,
Manager.

5th June, 1947.

McCOLL-FRONTENAC OIL COMPANY LIMITED

"Preferred Stock Dividend No. 4"

NOTICE IS HEREBY GIVEN that a Dividend of $1.00 per share being at the rate of 4 per cent. per annum has been declared on the 4% Cumulative Preferred Stock of McColl-Frontenac Oil Company Limited for the quarter ending June 30th, 1947, payable July 19th, 1947, to shareholders of record at the close of business on June 30th, 1947.

By Order of the Board.

FRED HUNT,
Secretary.

BRITISH COLUMBIA POWER CORPORATION, LIMITED

DIVIDEND No. 76

NOTICE is hereby given that a dividend of Forty cents (40c) per Share on Class "A" Shares has been declared for the three months ending June 30th, 1947 payable by cheque dated July 15th 1947, to shareholders of record as at the close of business on June 30th, 1947. Such cheques will be mailed on July 15th, 1947, by the Montreal Trust Company from Vancouver.

By Order of the Board,

J. A. BRICE,
Secretary.

Vancouver, B.C.
June 6th, 1947.

VENTURES LIMITED

DIVIDEND No. 24

NOTICE IS HEREBY GIVEN that a dividend of 5 cents per share has been declared by the Directors of Ventures Limited, payable in Canadian funds, on July 15th, 1947, to shareholders of record June 17th, 1947.

Under present conditions, payment of this dividend is subject to the approval of the Foreign Exchange Control Board.

By Order of the Board.

W. B. MALONE,
Secretary.

June 3rd, 1947.

Dryden Paper Company, Limited

DIVIDEND NO. 3

Notice is hereby given that a dividend of fifteen cents per share on the No-Par Value Common shares of this Company has been declared for the quarter ending June 30th, 1947, payable August 1st, 1947, to shareholders of record at the close of business June 30th, 1947.

By Order of the Board.

W. F. ROBINSON,
Assistant Secretary.

Montreal, P.Q.
June 2nd, 1947.

General Products Mfg. Corporation Limited

DIVIDEND NOTICE

Notice is hereby given that a semi-annual dividend at the rate of 5% per annum on the Preferred Shares of the Company for the half year ending June 30, 1947 has been declared, payable July 15, 1947, to shareholders on record at the close of business, June 27, 1947.

By Order of the Board.

J. G. Thompson,
Secretary-Treasurer.

London, Ontario,
June 10, 1947.

DIVIDEND NOTICES

Chartered Trust and Executor Company

Dividend No. 114

NOTICE is hereby given that a dividend of 1¼% has been declared on the paid-up Capital Stock of the Company for the quarter ending June 30th, 1947, payable July 2nd, 1947, to shareholders of record at the close of business June 16th, 1947.

By order of the Board.

E. W. McNeill,
Secretary.

Dated at Toronto
May 20th, 1947.

The Sherwin-Williams Company of Canada, Limited

Notice is hereby given that the One Hundred and Forty-Fourth quarterly dividend of one and three-quarters per cent (1¾%), being at the rate of seven per cent (7%) per annum, for the quarter ending May 31, 1947, on the Preferred Stock of the Company, has been declared payable July 2, 1947, to Shareholders of record the 10th day of June, 1947.

Books not closed.

By Order of the Board.

P. W. HOLLINGWORTH,
Secretary-Treasurer.

Montreal, Que., April 3, 1947.

Dominion Steel and Coal Corporation Limited

DIVIDEND NOTICE

Notice is hereby given that subject to obtaining the approval of the Foreign Exchange Control Board of Canada a dividend of 25 cents per share on the outstanding Common Class "B" shares of the Capital Stock of the Corporation has been declared for the half-yearly period ending June 30th, 1947, such dividend to be payable on July 21st, 1947, to shareholders of record at the close of business on June 23rd, 1947.

By Order of the Board.

R. C. McDonald,
Secretary.

Montreal, P.Q.
May 29th, 1947.

CANADA PERMANENT MORTGAGE CORPORATION

Notice is hereby given that a Dividend of TWO PER CENT. on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable

WEDNESDAY, THE SECOND DAY OF JULY

next, to Shareholders of record at the close of business on the Fourteenth day of June, 1947.

By order of the Board.

WALTER F. WATKINS,
Secretary.

TORONTO, May 21st, 1947.

General Steel Wares Limited

PREFERRED DIVIDEND

Notice is hereby given that a dividend of ONE DOLLAR AND TWENTY-FIVE CENTS ($1.25) per share has been declared for the quarter ending July 31, 1947, on the outstanding preferred stock of this Company, payable August 1st, 1947, to shareholders of record July 3rd, 1947.

By Order of the Board.

FRANK S. BROPHY,
Secretary.

Montreal, June 5th, 1947.

General Steel Wares Limited

COMMON DIVIDEND

Notice is hereby given that a dividend of TWENTY CENTS (20c.) per share has been declared for the quarter ending July 31st, 1947, on the outstanding Common Stock of this Company, payable August 15th, 1947, to shareholders of record July 17th, 1947.

By Order of the Board,

FRANK S. BROPHY,
Secretary.

Montreal, June 5th, 1947.

WESTERN BREWERIES LIMITED

NOTICE OF DIVIDEND

NOTICE is hereby given that a quarterly dividend of twenty cents (20c.) per share, plus a bonus of ten cents (10c.) per share, has been declared on the outstanding no-par-value shares of the issued capital stock of the Company, payable on the fifteenth day of July, 1947, to shareholders of record as at the close of business on the thirtieth day of June, 1947.

By Order of the Board of Directors.

A. C. Jefferys,
Secretary-Treasurer.

Winnipeg, Manitoba,
13th June, 1947.

CANADA DRY

DIVIDEND NOTICE

The Board of Directors of Canada Dry Ginger Ale, Incorporated, at a meeting thereof held on May 27, 1947 declared the regular quarterly dividend of $1.0625 per share on the $4.25 Cumulative Preferred Stock and a dividend of $0.15 per share on the Common Stock; both payable July 1, 1947 to stockholders of record at the close of business on June 13, 1947. Transfer books will not be closed. Checks will be mailed.

WM. J. WILLIAMS,
V. Pres. & Secretary

DIVIDEND NOTICES

Coniaurum Mines Limited

DIVIDEND NO. 30

NOTICE IS HEREBY GIVEN that a dividend of Two Cents (2c.) per share has been declared by the Directors of Coniaurum Mines Limited, payable in Canadian funds, on July 15th, 1947, to Shareholders of record June 18th, 1947.

By Order of the Board.

A. G. Fulton,
Secretary.

June 4th, 1947.

ATLAS STEELS LIMITED

Notice is hereby given that a regular quarterly dividend of Fifteen Cents (15c.) per share upon the paid-up Capital Stock of this Company has been declared and that the same will be payable August 1st, 1947, to shareholders of record on the books of the Company at the close of busines on July 16, 1947.

By Order of the Board,

E. H. BANKS,
Secretary.

June 9th, 1947.

CENTRAL PATRICIA GOLD MINES LIMITED

(No Personal Liability)
85 Richmond Street West,
Toronto, Canada.

DIVIDEND NO. 44

A dividend of 2c per share (Canadian funds) has been declared by the Directors on the capital stock of the company, payable the 30th day of June, 1947, to shareholders of record the 10th day of June, 1947.

DATED at Toronto, this 3rd day of June, 1947.

By order of the board,

ALAN COCKERAM,
Secretary.

ABITIBI POWER & PAPER COMPANY, LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of Six Dollars and Twenty-five Cents ($6.25) per share has been declared on the outstanding PRIOR PREFERRED SHARES of the Company payable July 1, 1947, to Shareholders of record at the close of business June 16, 1947.

The dividend on the 50,000 PRIOR PREFERRED SHARES outstanding is cumulative from January 1, 1945, so that this payment will cover all arrears as well as current dividends thereon up to and including July 1 next.

By Order of the Board.

HOWARD YOUNG,
Treasurer.

Toronto, Ont., May 8, 1947.

NOTICE

Dominion Coal Company, Limited

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE is hereby given that the Annual General Meeting of the shareholders of DOMINION COAL COMPANY, LIMITED, will be held in the Assembly Room on the Third Floor of The Royal Bank of Canada Building, 360 St. James Street West, in the City of Montreal, P.Q., Canada, at 11 o'clock a.m., Daylight Saving Time, on Thursday, the 19th day of June, 1947, to receive the Report of the Board of Directors for the years 1945 and 1946, to elect a Board of Directors and to transact any other business that may properly come before the meeting.

By Order of the Board,

R. C. McDONALD,
Secretary.

Dated at Montreal, P.Q., this 29th day of May, 1947.

PORCUPINE PENINSULAR GOLD MINES LIMITED

(No Personal Liability)

NOTICE TO SHAREHOLDERS

Following the unanimous confirmation by the Shareholders at their meeting on the 2nd day of May, 1947, of By-law No. 44 authorizing the increase of the capital stock of the Company from 3,000,000 to 5,000,000 shares of $1.00 each, Supplementary Letters Patent have been issued making such increase.

In accordance with the Notice to Shareholders dated 10th April, 1947, Shareholders of record (save as noted below) at the close of business on 30th June, 1947, will become entitled to purchase one share of the newly-authorized stock for each three shares of which they are at that time the registered holders, at the price of 25c per share, payable on or before 1st September, 1947. No certificates of rights in respect of the 25c shares will be issued, but following 1st July subscription forms will be forwarded to such registered holders, and no others will be entitled to subscribe.

Owners of shares not registered in their own names are accordingly advised to have same so registered immediately.

Each person who subscribes for shares as aforesaid will receive, with the certificate therefore, a certificate in bearer form showing that the bearer is entitled to subscribe for one additional share at the price of $1.00 per share on or before 1st July, 1948.

This notice is not, and under no circumstances is to be construed as, an offering of any shares for sale in the United States of America or the territories or possessions thereof, or as an offering to any resident of the United States of America, or as a solicitation therein of an offer therein to buy any of the said shares. These shares are not registered under the United States "Securities Act of 1933" and amendments thereto.

DATED at Toronto the 10th day of June, 1947.

PORCUPINE PENINSULAR GOLD MINES LIMITED
(No Personal Liability)

J. INGRAM,
Secretary.

Shareholders of Bright Red Lake Mines Limited

TAKE NOTICE

A Report of the Board of Directors of the Company covering the extensive development program planned for this year is available to all Shareholders upon request.

Bright Red Lake Mines Limited
Suite No. 311, 21 King Street, E.,
Toronto 1, Ontario.

Quebec Lets Contract For Montreal Hospital

Health Minister Albini Paquette of Quebec announces award of general contract and building to start before month-end of 500-bed, 11-story $4 million hospital at the Orthopedic Institute, Montreal; architects Gascon & Parant; contractor Ulric Boileau et Fils. Sisters of Providence will operate the hospital for Province of Quebec Dept. of Health.

Action by Individuals Urged to Cure Problems

Canadian Manufacturers' Association at Banff last week took stock of Canada's industrial health to learn what steps are under way to keep Canada prepared for business progress.

They were told:

FATHER JOSEPH H. LEDIT, S.J., of Montreal: "Public opinion, today, has hardened against communism, both of the militant and parlor type. With the German attack on the Soviet Union . . . Communist stock soared to the clouds. Then, with the end of the war, Mr. Molotov's bickering at peace conferences, and particularly the espionage trial in Canada, turned people more bitterly than ever against Communism.

"Communism is a minority movement. The biggest Communist party on this earth is that of the Soviet Union, with some six million members — a little over 3% of the total population. Canada's 13,000 Communists are just a little over one per thousand. The influence of these tiny Communist parties is entirely out of proportion to their intrinsic strength.

"The strength of Communism is in direct proportion to the weakness of society in general. That is why a merely negative attitude toward Communism is useless.

"(Some people say) it is a mistake to declare Communism illegal. When Communists are in the open, you see what they do; when they are driven underground, it is much harder to ferret them out. It should be remembered that essentially Communism is always underground. (But) it is the stupidity of too many people to make a martyr out of a criminal. And this, as far as I can see, is the only reason why Communism should not be proscribed.

"Communism . . . is an attempt to use labor, and many other elements besides labor, for civil war, in order to create a new world.

"There is a great difference between an ordinary strike and a Communist strike. The ordinary strike has for its object to remove some objectionable feature of management. This achieved, your worker is satisfied and settles back again to work. It makes no difference to the Communist whether the strike has been lost or won. It is perhaps better that the workmen gain nothing, provided they feel like agitating some more."

MAJOR-GENERAL J. H. MacQUEEN, CBE, president, Canadian Arsenals Ltd., Ottawa: "Main plank in the platform of Canadian Arsenals Ltd. is to work with industry to reduce the time needed to produce for the Armed Forces their requirements which are ever becoming more complex and varied. With this in mind, our Board has established the principle that orders for equipment or components should be routed to utilize industrial facilities wherever possible.

"It is vital that the company keep in close liaison with the Armed Services by means of working committees and establish process engineering for new equipment, as the requirement becomes established, so that bills of material, machinery lists, operation sequences, tool engineering, floor space requirements, etc., will be worked out in peace and held ready for use in an emergency to prevent waste of our industrial and financial potential and what, to my mind is most important, to save time.

R. W. DIAMOND, vice-president and general manager, Consolidated Mining and Smelting Company of Canada Limited: "Developments in applied science and technology have far outstripped developments in social science. It has created so many unbalanced conditions that threatening tremors are making themselves felt in our society. It shows up in individual and group behaviors, in attitudes of mind, in social relations; it shows itself all through our social structure.

"Nor are we in trade and industry faultless. I think particularly of the relatively unexplored fields of 'employee relations,' of 'community relations,' of 'public relations,' and of 'government relations.' If we would but study these fields of opportunity intensively, and if we would but make the fullest proper use of them, we should then have gone a great distance towards correcting our troubles today.

"We must realize that the present unstable situation presents a virgin field of opportunity for those individuals and groups with ulterior motives who lie in wait in our society for the opportunity of striking in a foul way, of tearing things down, of taking away from all of us those things that are good.

"I am concerned about the too general practice of appeasement of radical groups; appeasement by legislation, appeasement by lack of law enforcement; appeasement by ignoring of unethical practices; appeasement by industry; appeasement by the individual. By following such policies we are compromising ourselves and compromising Canada.

"I suggest four answers to the problems we face today. First, let us put our house in order. Second, let us recognize the social problems before us. Third, let us assume our individual responsibilities to cure these social problems. And, fourth, let us cure them from the bottom up, from our positions of individual citizens, not from the top down, by leaving the responsibility altogether with our governments."

R. BELL-IRVING, first vice-president, Powell River Company: "The penal code has been under review in Canada for some time and it is generally recognized that one of the most serious consequences of the present system is that young first offenders, obliged to associate with hardened criminals, in many cases become experts themselves, excellent fodder for those in our midst who wish to make use of their services.

"In Great Britain there are seven or eight Borstal Institutions where such first offenders are cared for and taught a trade, following careful scrutiny as to the likelihood of their becoming respectable citizens if given the opportunity, placed in care of Borstal Societies on discharge.

"These facts disclose a situation which we should no longer tolerate. Between the first and second Great Wars, Canada's rate of serious crimes increased threefold, whereas in the same period, with the Borstal System for young offenders, Great Britain's prison population was reduced from 186,000 to 46,000, or a quarter of what it was. In 1942 there were as many serious crimes in Canada as in England and Wales with four times the population.

"I earnestly suggest two undertakings. First, that each CMA Division without delay urge their respective governments to investigate the desirability of following Great Britain's irrefutable, economical, and humanitarian example of the Borstal system, and secondly, that as and when such governments so decide, each Division should sponsor a Borstal Society, formed partially of its members, to ensure that no opportunity is lost in enabling youngsters to re-establish themselves as respectable citizens.

HON. LESLIE H. EYRES, Minister of Trade and Industry, British Columbia: "Indicating the fact that new industries are moving to British Columbia, 547 new companies were incorporated in 1946 for the purpose of carrying on manufacturing. The total capitalization of these companies is $64 millions. In all, 1,518 new companies were incorporated during the year, with a gross capitalization of slightly under $100 millions.

"While it is appreciated that many commercial items could not be profitably mass-produced in British Columbia, there are, still, a number such as leather, textiles, glass, and china which would require only capital and a nucleus of skilled workmen for their successful manufacture.

"From a listing of better-known consumer industry possibilities, it is a logical jump to the appraisal of our raw materials, now increasingly useful in industrial processes such as:

"1. Ceramics — high-grade clay products and china; (2) Glass; (3) Hydromagnesite — cements and magnesium chemicals; (4) Bleaching clays — Bentonite; (5) Utilization of Diatomite — deposits in B.C.; (6) Slag utilization for foam glass and mineral wool; (7) Grinding balls, axes—replacement of metal imports in the light metal field; (8) Ferro-alloys; (9) Marine plants — seaweed; (10) Barite — Barium; (11) Deposits of iron ores; (12) Lead alloys and pigments; (13) Hydrogenation of fish and vegetable oils; (14) Textile industries — linen, wool."

J. E. UNDERHILL, B. C. Electric: "From June 2, 1941, to April 1, 1944, some 90,000 people moved into B. C. In addition, our numbers have been greatly added to by discharged personnel from the armed services, many of whom did not enlist from B. C. This steady increase has now brought our population to well over the one million mark. Since 1931 it will be noted B. C.'s population has increased by 44%. In the same period Canada's population has increased only by approximately 20%.

"B. C.'s industrial weekly payroll in 1946 was one quarter that of Ontario and one third that of Quebec. With 8.14% of Canada's population, B. C. has 7% of the manufacturing establishments in Canada, and 7% of the industrial capital is invested here. We have 8.25% of Canada's industrial employees; we pay 9.3% of Canada's industrial wages, and turn out 7.5% of the total manufacturing production of the Dominion.

"From a recent survey made of B. C. firms in two categories (a) existing firms expanding their operations, and (b) new firms locating in B. C. for the first time, the following reasons were given for taking the action they did:

"(a) Expanding local market; (b) Potential export market; (c) Transportation facilities; (d) Favorable working conditions; (e) Availability of skilled labor; (f) Availability of raw materials; (g) Suitable climatic conditions."

Create New Body To Control Radio Broadcasters Ask

JASPER, ALTA. — The Canadian Association of Broadcasters, in convention here, unanimously reaffirmed its belief in radio freedom of speech established as a matter of legal right, and in a separate licensing and regulatory body having jurisdiction over all radio. Some 250 radiomen from Canada and the United States were present.

The association planning committee, which prepared the CAB brief to the Parliamentary Radio Committee, was introduced to press vigorously forward to secure the association's twin objectives.

Prairie Crop Prospects Improved by June Rains

Special Correspondence

WINNIPEG — Crop prospects have been greatly improved in the last week by rainfall ranging from moderate to heavy, over practically all prairie crop lands. In some places rainfall totalled more than three inches; in many, more than half an inch, while other areas have had from one quarter to one half in.

Practically nowhere is rain now an urgent need. In most areas farmers will be glad to see continued a period of cool, rainy weather, although in some districts the hope is now for warm and sunny days, which will allow the crop to take full advantage of the moisture that has fallen.

Although spring in western Canada was cool and backward it was, on the whole, decidedly dryer than usual. Some districts have now had, since April 1, more than the usual rainfall for the period. Over most of the west, precipitation for the season is still less than average; but the timing of rain which has fallen has been excellent for the crop.

Cool, Moist June Wanted

It is a tradition in the west that crop results largely depend upon June rains, and a cool, moist June is more to be desired than any other condition affecting the crops. This June has started off very well. While seeding was late, practically everywhere farmers managed to put in all their intended acreage, although in some areas land was diverted from wheat to oats or barley when farmers began to think it dangerously late to go on with wheat.

Would Rather Sell to U. S.

Reports from the east of concern over feed grain prospects, are of interest to western farmers because of the prospective demand for increased quantities of grain from the west for feeding in eastern provinces. That prospective demand is no occasion for satisfaction to the western farmer. He would much prefer this year to see Ontario and Quebec able to get along without oats and barley from the west, a condition which would enable his grain to be sold in the United States at prices much higher than can be realized, from sale in Canada.

A shortage of feed grains in the east means that there will be continuing restrictions on exports south of the line. Even if, as has been suggested, the ceilings on oats and barley disappear before long, the Government can use this power to control exports to prevent any substantial rise in prices and to keep American demand from being reflected in prices paid in Canada. It is quite possible for the west to produce enough oats and barley to overcome completely the deficiency which may be experienced in the east, and still to leave some surplus for export.

Grain Prices

Winnipeg Grain Futures

Week to June 9, 1947

Crop year from Aug. 1, 1946 High	Low		High for week	Low for week	Close June 9
		Oats*			
.65	.65	May	.65	.65	.65
		Barley*			
.93	.93	May	.93	.93	.93
		Rye			
3.55⅛	2.11⅞	July	3.55⅛	3.30	3.50
2.73½	1.18½	Oct.	2.73½	2.58¼	2.70⅛
2.56	2.23¼	Dec.	2.53½	2.42¾	2.48

*At ceiling.

Cash Quotations

For Week

	June 9 High	June 9 Low	Prev. Week High	Prev. Week Low
Oats*				
2 C. W. ..	.65	.65	.65	.65
3 C. W. ..	.65	.65	.65	.65
Barley*				
1 Feed ...	.93	.93	.93	.93
2 Feed ...	.93	.93	.93	.93
Rye				
2 C. W. .	3.60½	3.59⅛	3.72½	3.55

*At ceiling.

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Steady Savings Can Provide Early Foundation For Future Extension of Family Finances

(Continued from page 17)

The second is interest on your savings whether they remain in a bank account or are invested elsewhere.

Safety of principal is undoubtedly the first consideration with income second. If your principal is not safe the income is certainly in jeopardy.

One class of investment popular with many people is productive real estate, provided it is bought at the right price.

Long-range Investment

It's unlikely that the landed gentry of Britain had any greater financial acumen than any other class. But they managed to keep their assets intact for generations, at least partly because:

1. They were comprised mostly of productive real estate from which they derived rent.

2. The land was often entailed so that it could not be sold. The investment was a "long-range" proposition.

Land values, of course, may rise and fall, but even if the market for land may dry up entirely, eventually it will recover. People will always have to have land to live on, grow crops and establish factories to manufacture things.

However, it may lack the liquidity that many people desire.

There are, in addition, however, a great many other types of investments.

A good criterion for the private investor who desires security first and then income is found in the classes of investment authorized for life insurance companies. These range through Dominion and provincial and comparable government bonds, bonds and debentures of selected municipalities and other public bodies, sound corporations, preferred stocks that have paid dividends for five years, common stocks that have paid dividends at a stated rate for seven years.

One fundamental principle is to stick to the highest-grade investments until you have at least reached your first objective.

When to Buy?

But having established the type of security you want to buy, another question is when to buy. You don't want to see your stocks or bonds selling at less than you paid for them. Of course, even with the best investments it is not always possible to guard against this, but you do want your investments to be liquid so that you can get your money out reasonably close to the amount you put in; if you buy at or near the top of a boom you can't expect to do this. Accordingly, one should avoid buying after a long substantial advance. Don't be in a hurry. Soundness is the main consideration. The example of the tortoise is to be followed rather than that of the hare.

For five years, 1924 to 1929, the stock markets in Canada and the United States had an unprecedented boom. Many people made money. Many of them were convinced that we were in a "new era."

But some realized as early as 1928 that values were getting high. Those who got out and stayed out then found themselves sitting pretty when the market crashed on Oct. 29, 1929. They were in a sound liquid position and able to repurchase their holdings during the early 30's when prices reached their low point. Those who had bought good securities at reasonable prices and still held them found that while they had lost a fortune on paper they still had something worth while, but those who had bought speculative securities or bought on margin were hardest hit. In the first case their investments often turned out worthless. In the latter they had to sell out often at a loss or put in still more money which entailed digging into their most closely guarded reserves. Even if they were able to hang on, it was years before they got a chance to get out even.

The moral is, don't buy at the top; don't speculate unless you can afford to lose, and don't buy on margin more than you can readily "cover" from your liquid reserve.

One great danger in speculation is that one successful operation might make you think you're "pretty good." The writer knew one man who, during the wheat boom in the early 20's, made $50,000 speculating in wheat. He had his money out of the market and in the bank. Somebody suggested that market interest had switched from wheat to coarse grains and that he could double or quadruple his money if he went into the latter. He thought he was "good"; put his $50,000 into the market again and mortgaged his house to buy more, thinking that this time he would make his thousands into millions. But the market went the wrong way. He lost his $50,000 plus his house.

Look for "Growth" Securities

Once, however, you have established your first objective in the highest grade securities or cash you can buy other securities which, while considered safe by bankers and investment houses, are probably a little less sure than those in your first reserve. Among these are securities which have a good chance of growth. Factors to be considered there are:

Is the company concerned in an essential industry producing goods or giving a service which people will want in bad times as well as good?

Is the management capable?

Has it sufficient finances to weather a period of adversity?

Before buying securities of this kind it is necessary to make a close survey of the whole industry as well as the company.

Should you buy stocks or bonds?

When you buy a bond you are lending money to the borrower, whether it is the government or a corporation. The points to be considered there are whether the borrower will be able to pay interest regularly and pay off the principal when it becomes due. But when you buy a stock you become a part owner of the corporation—your dividends come after it has paid off its bond interest and any other indebtedness. (Some bonds carry a conversion privilege, that is, they can be converted into stock. Sometimes they give a right to buy shares on favorable terms. These rights are valuable.)

In buying stock you should always study the capital structure to see what obligations lie ahead of it, such as bonds which have a prior claim on the assets and on the earnings. If buying common stock watch those that have preferred stocks ahead of them.

Some companies have callable bonds and convertible or callable preferred stocks. Such concerns in times of prosperity may call their bonds or preferred stock, leaving the common stock in complete ownership of the assets of the company. Such common stocks often represent specially good opportunities.

One thing to be sure of is to get good, independent advice. Two or three heads are often better than one. The writer recalls one man who in the early 20's told his broker he was going to buy some Lake Shore, then selling around $1.18 a share and paying 8% on the $1 par. The broker quite sincerely and honestly said: "Oh, I wouldn't buy Lake Shore. It's a nice little mine and will pay an 8% dividend for some years, but we know just how big Lake Shore is going to be and it's not going to be very big. There's not much chance for growth there and you won't make much money if you buy that stock. Now if you were to buy —— at 60c. you buy into a good property with good chances of growth." A few years later Lake Shore was selling at over $60 a share and paying dividends of $4 a share. (It paid $6 one year.) The other stock had gone completely off the board.

Real Estate Funds

Mortgages on real estate are another quite popular form of investment. One thing about taking a mortgage on a property is to be sure that you don't give too much money for the security you get.

It is necessary to make a close appraisal of the value then lend only a reasonably safe amount.

For example, the life insurance companies are restricted to 60% of the value of the property when taking a mortgage.

One thing you shouldn't do is to take a mortgage on properties located far away. You want to be sure that you know something about the property. Mortgages should never be taken haphazardly.

Then, of course, there is always the important principle that it's not a good thing to put all your eggs in one basket. Don't invest all your money in the securities of one company or even one industry. In times of adversity some companies and some industries may do better than others, and in spite of your best judgment you may pick the wrong one.

But if you diversify your holdings you stand a better chance of coming through without a serious loss.

If you have only a few hundred dollars however, it's more difficult to diversify widely. In that case you can diversify by buying stock in an "investment trust." These companies with their large financial resources can invest in a great number and variety of securities and when you put three or four hundred dollars into the shares of an investment trust, you, in turn, become part owner of all the securities which it owns. Thus, with very little money the advantages of diversification are yours.

Of course, in an investment trust the type of management is the important thing. Its officers should not only be trustworthy but wise enough to conduct the business profitably, even when the market is going down. There are investment trusts that do give very valuable service to both large and small investors.

In these as in other investments, it's always wise to consult your banker. In no case, however, should the careful saver buy securities which are an out-and-out gamble. There are probably 1,000 people who lose in speculating compared with one who gains.

3-Way Housing Subsidy Urged

Ontario Mayors Call for Shared Program of Low-rent Building

A subsidized low-rent house-building program — one engaging "all out" co-operation of provincial, federal and municipal authorities — was urged by resolution at the annual conference of the Association of Ontario Mayors and Reeves in Ottawa last week end.

The call for government housing subsidies was framed in one of seven resolutions passed at a final session which saw Toronto's Robert Hood Saunders made president.

Preamble to the housing resolution said: (a) inadequate provisions of the National Housing Act had placed main responsibility for rental housing on municipalities; (b) that Ontario Government had not implemented its promise of a housing program nor established a housing commission to study the matter; (c) low-rent houses are urgently needed; and (d) municipal finances can't bear the burden "and government subsidies are considered of paramount importance to achieve a program of low-rent housing."

The resolution directed the executive to seek a conference with provincial and federal representatives which would try to stimulate home production, clarify responsibilities at all three levels of government, obtain "the co-operation of all government bodies toward an all-out effort for a house building program of a subsidized low-rental character," and agree on an equitable sharing of past and future costs.

Other resolutions adopted urged:

1. Provincial assumption of the financial responsibility for Children's Aid Societies without disturbing the present administration.

2. A conference of all three levels of government to "redistribute the responsibility for the cost of education and social services to relieve the tax burden now falling on real estate."

3. The province to make funds available to carry out full recreational programs.

4. The province to finance additional hospital charges for indigent patients for such things as blood transfusions and casts.

5. The Dominion to establish a system of compensation for municipalities which have lost taxable properties through purchase or expropriation for federal purposes.

6. The Dominion to exempt from income tax anything up to $750 a year received by elected municipal officers for municipal work.

Liquefied Gas Companies Plan Expansion

The liquefied petroleum gas industry continues to expand in this country in anticipation of sizeable undeveloped markets. City Gas & Electric Corp., Trois Rivieres, Que., plans substantial expansion in its liquefied gas operations soon. Plans provide for installations of bulk filling stations at various points throughout the province, and from these points a tank truck service will make deliveries to consumers. Home Gas Ltd., a new industry being started in Manitoba, plans to have its Brandon plant in operation within two weeks.

Though in operation since 1931, the Trois Rivieres gas plant has only been providing service to customers through cylinders for the last year. The service has necessarily been limited due to difficulty in obtaining delivery of cylinders. Indications are that deliveries will catch up on immediate needs by the end of the current year. It is anticipated that by then the company will have more than 600 installations in operation, an official informs The Financial Post.

Home Gas Ltd. has already started setting up dealer operations in and around the cities of Manitoba, and is looking for branches in other provinces. The gas will be imported from the United States in tank cars, and will have many uses for farms, homes and tourist camps.

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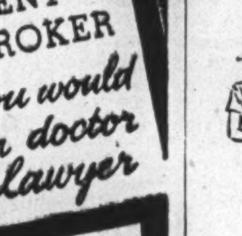
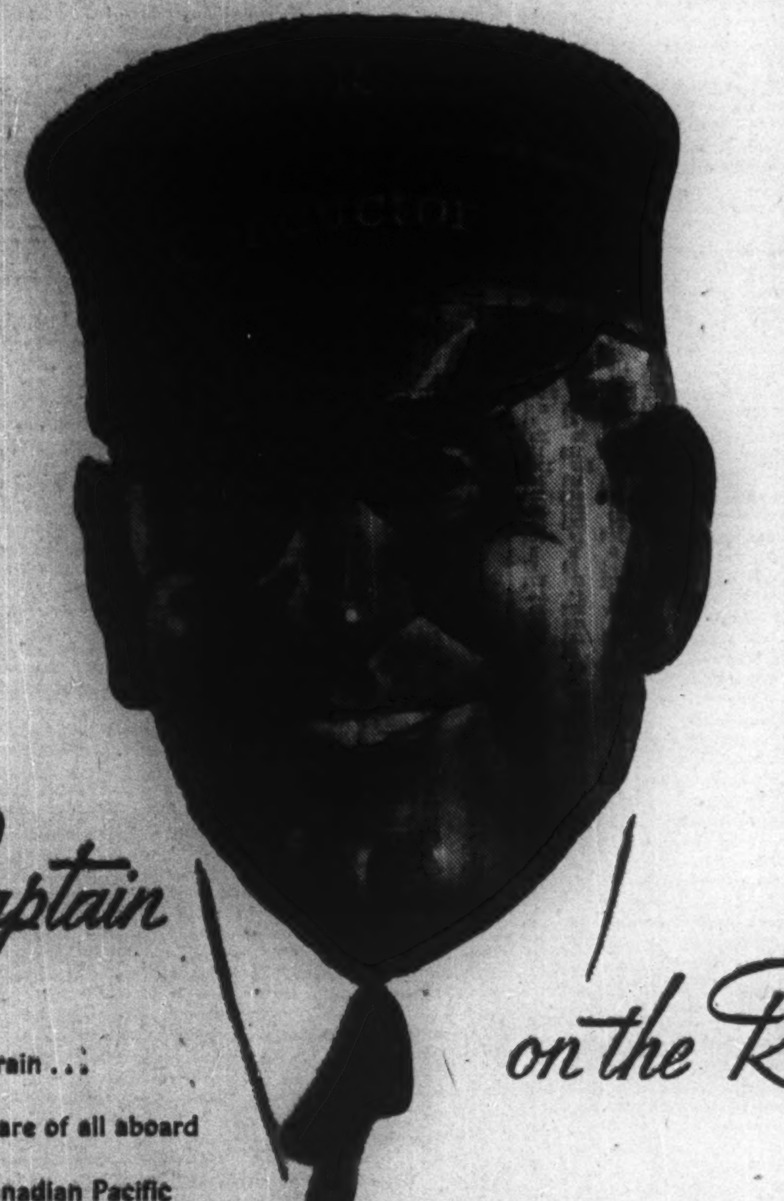
J. E. HASKINS, General Manager for Canada

United States Fidelity & Guaranty Company



CONSULT *your* AGENT OR BROKER *as you would your doctor or lawyer*

34 King Street East TORONTO



Your Captain on the Rails

First-in-command of your train . . . responsible for the welfare of all aboard . . . that's your friendly Canadian Pacific conductor! You know him best as the man who collects your ticket . . . and supervises your accommodation. But more than that, he's always pleased to answer your travel questions . . . to explain scenic highlights along the route . . . to give you at all times the quiet, courteous attention that makes your trip a pleasant memory.

Canadian Pacific train travel is safe, comfortable, reliable. This is No. 1 in a series depicting some of the men who make it so.

THE WEEK'S QUOTATIONS

Montreal and Toronto Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING JUNE 6

Range 1947 High	Low	Div R'te $	June 6 Y'ld %		Sales	Last May 30	Week end. June 6 H	L	Cl'se
21¼	14¼	.	...	Abitibi, new	2580	15¼	15¾	15	15¼
22	17	.	...	Do $1.50 pr n	4843	19¼	19¼	19	19¼
43	37½	•6.25	..	Do. $2.50 pf n	1250	42	43	42¼	42¾
23¼	20¼	1.00	4.8	Acadia Atlan A	825	21	21¾	20¾	21
107	103¼	5.00	4.8	Do. 5% pref.	105	103¾	104	103¼	103¼
35	32	•1.00	..	Agnew Surp.	45	33	34¼	33	34¼
30	21	.	...	Algoma Steel	260	28¾	28¼	28	28¼
27¼	26	1.00	3.7	Alum of Can p	615	26¼	27	26¾	27
211	188	8.00	4.1	Aluminum	465	199	203	196	197
15	10	•	...	Amal. Electric	50	11	10	10	10
9¾	6	.40	5.7	Argus	1605	6¾	7	6¾	7
98	91¼	4.50	4.8	Do. 4½% pref	50	93	94	93	94
2.00	1.00		...	Do. Warr.	300	1.00	1.00	1.00	1.00
31	26	.80+•.20		Asbestos	620	27	28¼	27	27¾
20	18	•.50	...	Gen. Product A	100	18	19	19	19
18¼	15¼	.80	5.0	Gen. St. Wares	600	16	16	15¼	16
113	97	4.00	4.1	Goodyear Tires	10	100	98	97	97
55¼	53	2.00	3.7	Do. pref.	135	54	54¼	53¼	53¾
11¾	11¼	.50	4.4	Gor Mackay A	395	11¾	11¼	11¼	11¼
21¼	19¼	1.00	5.1	Grafton, A.	35	19¾	20	19¾	19¾
14¼	13¼	.	...	G Lakes Pap n	4730	13¼	14¼	13¼	14
47¾	46¼	.	...	Do. n p 2¼%.	970	47	47¾	46¾	47
10	6	.	...	Gr. West Felt.	10	9	10	10	10
11	9¾	.50	5.2	Do. pref.	20	10	10¼	9¾	9¾
410	396	15.00	3.8	Gt. West-Life.	6	396	405	400	400
16¼	13	.80	5.5	Gypsum, Lime.	1155	14¼	14¼	14	14¼
9¼	6	.	...	Ham. Bridge	350	6¼	7	6¼	7
12	9¾	.40	3.6	Harding Carpet	110	10¼	11	11	11
30	22¾	•.50	...	Hayes Steel	135	24	23¼	23¼	23¼
108	104¼	4.50	4.3	Do. 4½% pref.	40	105¼	105¼	105¼	105¼
7.50	6.00	.	...	Willson Stat.	87	6.00	6.50	6.00	6.50
100¼	100¼	5.00	5.0	Do. pref.	5	100¼	100¼	100¼	100¼
23	20¾	1.00	4.7	Wilsils	75	21	21	21	21
14¼	13		...	Windsor Hotel.	6	13	13	13	13
17¾	13	•.50	...	Winnipeg El. A	851	15	15¼	14¼	14¾
25¾	20	1.00+•.50		Wool Combing	210	20	21	20	20
38	35	•.56¼	..	Zellers	165	35	35	35	35

†Paid in 1944. *Paid in 1945. ▪Paid in 1946.
▲N. Y. funds. ‡Extra. xOn arrears.
♦Paid or payable in 1947. ║Net after income taxes.
•Dividend deferred.

Mining Stocks

Week Ended June 6

[illegible]

Oil Stocks

Range 1947 High	Low	Div. Rate $	June 6 Yield %	Company Sales		Last May 30	Week Ending June 6 High	Low	Close
.12½	.05½	......	....	Midcont.	377,100	.09	.12½	.08½	.12½
.30	.05	......	....	Mill City	15,000	.26	.28	.28	.25
.34	.15	......	....	Model	32,775	.26	.34	.25	.31
.27	.16	†.01	....	Nat. Pete	28,800	.16	.27	.20	.23
.11	.02¾	......	....	New Ranch	83,500	.10	.08	.06½	.07
.08	.03	......	....	Oil Select	11,100	.05	.07	.03	.07
1.49	.40	......	....	Okalta	163,305	1.06	1.49	1.00	1.33
.09½	.04	......	....	Pacalta	38,086	.06½	.09½	.08	.08
1.20	.84	.10	9.4	Pac. Pete	41,700	.95	1.10	.95	1.06
.05	.02	......	....	Phillips P.	116,150	.03½	.05	.04½	.04½
.21	.07½	......	....	Princess P.	109,700	.16	.21	.19	.20
.05½	.01½	......	....	Richfield	10,900	.03½	.05	.03½	.03½
1.03	.48	......	....	Roxana	36,050	.62	.71	.61	.70
.15	.04	......	....	Royal Can.	110,100	.13½	.14½	.13½	.13½
20.00	14.50	1.00	5.3	Royalite	2,333	18.00	19.50	18.00	18.75
.17	.05	......	....	So. Brazeau	25,700	.15½	.15½	.13	.14
.31	.15	......	....	So. West Pete	7,100	.24	.31	.25	.31
.20	.08	......	....	Spooner	2,845	.13½	.20	.15	.16
.09½	.05	§.01½	....	Sunset	4,000	.07	.08	.07½	.08
.31	.22	......	....	Superior	12,200	.28	.31	.28	.31
1.40	1.15	......	....	Texas Can.	40	1.35	1.20	1.20	1.20
.55	.20	......	....	Turner V.	1,900	.34	.38	.35	.35
.17	.06	......	....	United Oils	98,125	.12½	.17	.13	.15
.20	.10½	......	....	Vanalta	30,000	.13	.20	.17½	.20
.47	.15	......	....	Vulcan	25,506	.24	.47	.32½	.40
.10	.06	......	....	Warner	750	.08½	.10	.07½	.08
.09	.01	......	....	Wellington	12,151	.09	.08	.04	.04

* N. Y. Funds. † Paid in 1945. ▪ Extra.
■ Sup. appl. F. E. C. B. ‡ Paid in 1946. ‡ Capital Repayment.
♦ Dividend deferred. § Paid or payable in 1947.

Volume of Stock Sales

	Montreal	Toronto	Vancouver	New York
June 9	......	......	......	740,000
June 7	......	......	......	......
June 6	161,200	953,000	174,120	820,000
June 5	121,400	1,072,000	111,127	700,000
June 4	296,700	1,265,000	233,882	1,040,000
June 3	367,500	1,532,000	234,175	880,000

Dividends Declared

	This payment $	Date payable	Date of record
Abitibi Pr. & P. pf.	▪6.25	July 1	June 16
Acadia-Atlan. Sug.	.25	July 2	June 10
Do., pf. 5%	1.25	June 15	May 20
Acme Glove pf.	.50	June 1	May 15
Amer. Cyanamid	†.25	July 2	June 4
Anglo-Nfld. Dev.	.60+.40	July 31	June 24
Asbestos Corp.	.20	June 30	June 6
Ashdown Hdwre. A	.15	July 1	June 10
Associate T. & T.	†1.02	June 9	May 9
Do., 7% pf.	†1.19	June 9	May 9
Auto Elec. Serv. A	*.12½	June 14	May 23
Auto Fabrics A	.15	July 1	June 14
Do., B	.10	July 1	June 14
B. A. Bank Note	.25	June 16	May 19
Barber Ellis	.25	June 16	May 31
Do., 7% pfd.	1.75	July 15	June 30
Beatty Bros., A	.50	July 2	June 14
Do., A	♦5.00	June 23	June 7
Do., B	.50	July 2	June 14
Belgium Glove	.15	July 1	June 12
Do., 5% pf.	.25	July 1	June 12
Beld.-Corticelli	1.50	July 2	May 31
Do., pref.	1.75	July 2	May 31
Bell Telephone	2.00	July 15	June 16
Brazil. Tract. pf. 6%	1.50	July 2	June 16
Brit. Amer. Oil	.25	July 2	June 5
Brit. Mtge. & T.	4.00	July 2	June 14
B. C. Elec. 4% pfd.	*.55	July 1	June 30
B. C. Power A	.40	July 15	June 30
Stanley Brock, A	.15	Aug. 1	July 10
Do., B	.10	Aug. 1	July 10
Bruck Silk Mills	.30	June 16	May 15
Brompton P. & P.	.25	July 15	June 20
Building Prod.	.25	July 2	June 2
Burlington Steel	.15	July 15	June 10
Butterfly Hosiery	.35	June 15	May 14
Canada Bread	.10	July 2	June 5
Do., 4½% pf.	1.12½	July 2	June 5
Do., 5% pf.	.62½	July 2	June 5
Can. Canners	.31¼	July 2	June 7
Do., 2nd pf.	.15+.10	July 2	June 7
Do., 5% pf.	.25+.05	July 2	June 7
Can. Celanese	.50	June 30	June 14
Do., $1 pfd.	*.25	June 30	June 14
Do., $1.75 pfd.	.43¾	June 30	June 14
Can. Cottons	.55	July 2	June 5

[illegible]

Dividends Declared (Contd.)

Industrial Mtge.	1.25	July 2	June 15
John Inglis	.10	July 1	June 3
Intnl. Coal & Coke	.01¼	June 16	June 3
Intnl. Paper	†.75	June 28	June 6
Do., 4% pf.	†1.00	June 28	June 6
Inter-City Baking	.75	June 28	June 18
Intnl. Bronze	.37½	July 15	June 14
Do., pf. 6%	.37½	July 15	June 14
Intnl. Paints, pf.	.50	June 23	May 29
Intnl. Nickel	†.40	June 20	May 21
Intnl. Metal, A	.40	July 2	June 12
Do., 4½% pfd.	1.12½	July 2	June 12
Do., 7% pfd.	1¾%	Aug. 1	July 2
Intnl. Pwr. 6% pfd.	1.50	July 2	June 10
Imperial Tobacco	.10	June 30	May 13
Invest. Found., pf.	.75	July 15	June 16
Kerr-Addison	.03	June 27	May 31
John Labatt	.25	July 1	June 12
Lake St. John P.	1.50	July 15	June 20
J. A. Lang & Sons	.25	July 2	June 10
Lambton Loan	1.50	July 2	June 14
Langley's	.75	Sept. 11	Sept. 4
Do.	.75	Dec. 11	Dec. 4
Levy Bros.	.10	July 2	June 2
Lewis Bros.	.25	July 31	June 30
Do.	.25	Oct. 31	Sept. 30
Do.	.25	Jan. 31	Dec. 31
W. H. Lowney	.12½	July 15	June 16
Macassa Mines	.02	June 16	May 16
MacKinnon Str. Steel, pf. 5%	1.25	June 16	May 31
McColl-Fron. 4% p.	1.00	July 19	June 30
Maritime T. & T.	.20	July 15	June 20
Do., 7% pfd.	.17½	July 15	June 20
Madsen Red L.	.04	June 17	May 27
L. McBrine, pf.	.50	July 1	June 14
Marcus Loew's	1.00	June 30	June 10
H. R. MacMillan	.10+.10	June 30	June 9
McCarthy Mill., A	.27½	July 1	June 14
Do., B	.07½	July 1	June 14
Melchers Dist. 6% p.	.30	June 30	May 31
Midland Loan	.40	July 2	June 15
Minn. & Ont. Paper	†.25	July 15	June 30
J. S. Mitchell	.75	July 2	June 16
Mod. Containers A	.25	July 2	June 20
Mon. Knitting	.15+.10	July 1	June 14
Do., 4½%	♦.75	July 1	June 14
Mon. Life 30% pd.	6%	July 2	June 14
Montreal Locomo.	.20	July 1	June 16
Montreal Tel.	‡.48	July 15	June 16
Montreal Trust	1.00	July 15	June 30
Molson's Brew.	.25	June 26	June 4

[illegible]

Stocks Not Traded This Week (Continued)

[illegible]

STOCKS NOT TRADED THIS WEEK

	Div. rate $	Last sale	June 6 Bid	Ask

[illegible]

Mining Stocks

[illegible]

Government Bonds

June 10, 1947

(Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask.
Victory Loans:			
3	June 1951 ...	104⅞	105¼
3	Jan. 1954 ...	106	106½
3	Nov. 1956 ...	105⅞	106⅜
3	May 1957 ...	104⅞	105⅜
3	Jan. 1959 ...	104⅞	105⅜
3	June 1960 ...	104⅞	105⅜
3	Feb. 1962 ...	104¼	105¼
2¾	Mar. 1948 ...	100⅞	101¼
1½	Mar. 1948 ...	100¼	100⅜
1½	Nov. 1948 ...	100¼	100⅜
1½	Nov. 1950 ...	100¼	101¼
3	Oct. 1963 ...	104¼	105¼
3	Sept. 1966 ...	104¼	105¼
1½	Nov. 1949 ...	100¼	101¼
Dom. of Canada Bonds			
3½	Nov. 1951 ...	102⅞	103
4	Oct. 1952 ...	100⅞	101¼
3½	Feb. 1952 ...	104¼	104⅞
3	Oct. 1952 ...	103¼	103⅞
3	June 1955 ...	103⅞	104⅜
4½	Nov. 1957 ...	101¼	101⅞
3	June 1958 ...	104⅞	105¼
4½	Nov. 1958 ...	104	104½
4½	Nov. 1959 ...	106¼	107
3½	June 1966 ...	106	106⅞
3	Perpetual ...	103⅞	104⅞
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959 ...	103⅞	105
4½	Sept. 1951 ..	*109⅞	*111¼
4½	Feb. 1956 ..	*116⅞	118¼
4½	July 1957 ..	*119	*120½
3	Feb. 1953 ...	100⅞	101¼
4½	June 1955 ..	*117¼	*118⅞
5	Feb. 1954 ...	117	118¼
5	Feb. 1970 ..	*111⅞	*113¼
5	Oct. 1969 ..	*111⅞	*112¼

%	Due	Bid	Ask.
Can. Natl. W. Ind. S.S.:			
5	Mar. 1955 ..	*118⅞	*120¼
Grand Trunk Pacific Rly.:			
3	Jan. 1962 ..	*106	*108
4	Jan. 1962 ..	*118	*120
Montreal Harbour Com.			
5	Nov. 1969 ..	*111¼	*113¼
Provincial Govt. Bonds			
New Brunswick:			
3½	June 1956 ...	103½	105½
4½	Apr. 1961 ...	122	124
5	Jan. 1960 ...	126	129
2¾	June 1966 ...	97½	99½
Nova Scotia:			
3	Jan. 1952 ...	103⅞	105¼
3½	June 1956 ...	105	106½
3½	Nov. 1950 ...	104⅞	106¼
4½	Nov. 1960 ...	123½	126½
5	Mar. 1960 ...	128	131
3	June 1958 ...	102⅞	104¼
Ontario:			
3½	Nov. 1951 ...	103	104½
3½	May 1955 ...	105⅞	107½
4	June 1962 ...	121	124
4½	June 1950 ...	107½	109
4½	Jan. 1962 ...	127	130
5	Oct. 1948 ...	104	105½
5	Dec. 1960 ...	132	134½
2¾	July 1976 ...	100¼	101⅞
Ont. Hydro Commission:			
3½	Feb. 1953 ...	103½	105
4	Aug. 1957 ...	117	120
2¾	June 1971 ...	100¼	101⅞

%	Due	Bid	Ask.
Prince Edward Island:			
4	Mar. 1954 ...	103	104½
Quebec:			
3½	Mar. 1959 ...	105½	107
4	Nov. 1952 ...	106	107½
3¾	Feb. 1955 ...	106⅞	108½
4½	Aug. 1958 ...	114½	116
4½	Jan. 1963 ...	120½	122½
3	Feb. 1962 ...	103½	105
Alberta:			
3½	June 1964 ...	101½	104
3½	June 1959 ...	102	105
3½	June 1972 ...	102½	105½
British Columbia:			
4	Dec. 1957 ...	115½	118½
4½	Jan. 1951 ...	112½	115
4½	Oct. 1953 ...	116½	119½
5	Apr. 1954 ...	119½	122½
2¾	Apr. 1966 ...	99½	101½
5	Sept. 1953 ...	112	114
Manitoba:			
4	Dec. 1957 ...	114	117
4½	Dec. 1956 ...	119	121½
5	Dec. 1959 ...	126	128½
5½	Oct. 1955 ...	119	121
Saskatchewan:			
4	Sept. 1954 ...	100⅞	102⅞
4	Nov. 1960 ...	103½	105½
4½	Oct. 1951 ...	109½	112½
4½	Mar. 1960 ...	112½	115½
5	Aug. 1958 ...	114	116
5	Dec. 1959 ...	117	119½
5½	Oct. 1952 ...	109	112
6	Mar. 1952 ...	111	113

*N. Y. funds.

Unlisted Stocks

(Compiled from quotations supplied by Intercity Securities Corp., Kamm Garland & Co. and Kippen & Co.)

June 9, 1947

	Bid	Ask		Bid	Ask
Allens Toronto units	39.00	....	Laprairie com.	5.00	8.00
Anglo-Can. Telephone A	10.00	11.00	Do., pref.	64.00	....
British Mortgage and Trust	169.00	....	Loblaw Groc. Inc.	20.50	22.00
B. C. Sugar	87.00	91.50	Manufacturers Life Ins.	320.00	....
Canadian Airways	2.00	3.00	Midland L. & Svgs. $10 par	19.00	....
Can. Ingersoll Rand	62.00	64.00	Monarch L. Assoc. 30% pd.	91.00	....
Can. Investors Corp.	7.25	8.25	Monarch Mtge. units	4.00	4.75
Canadian Motor Lamp A	11.50	12.50	Montreal Island Power pf.	35.00	....
Can. Silk Products A	25.50	27.50	Montreal Trust Co.	91.00	....
Can. West. Nat. Gas com.	58.0	....	Mountainview Apts. pfd.	16.50	....
Do., pfd.	104.0	107.00	Nat. Drug & Chem. new c.	8.00	9.00
Capital Wire Cloth com.	10.00	...	Do., com. old	9.00	10.00
Do., pfd.	23.00	....	Do., pfd.	13.00	14.00
Cawthra Apts. units	5.50	....	New Brunswick Telephone	13.50	15.00
Chase A. W. units	37.00	....	Ont. Tobacco Plant units	63.00	....
Chatco Steel pfd.	8.75	9.50	Paramount Kitchener units	55.00	....
Do., com.	9.25	10.25	Peller Brewing pref.	21.25	22.75
Colonial Steamships com.	74.00	79.00	Do., com.	7.00	8.25
Commercial Finance com.	13.00	....	Provincial Bank of Canada	15.50	16.25
Commercial Life 10% paid	7.75	....	Prudential Trust	10.50	....
Commonwealth Inter. Corp.	3.45	3.80	Sawyer Massey com.	1.40	2.00
Confed. Life Assoc. 30% pd	155.00	....	Seiberling Rubber com.	9.00	11.50
Continental Life 20% pd.	42.00	....	Sincennes McNaughton T.	2.25	....
Cooksville com.	10.00	13.00	Sherbrooke Trust	140.00	....
Do., 2nd pref.	90.00	....	Sovereign Life Assce. 25%	34.00	....
Detroit Internat. Bridge	11.00	13.00	Standard Fuel pfd. 4%	46.0	50.00
Dover Industries Ltd.	12.00	13.00	Do., com.	3.00	4.50
Dunlop Tire pfd.	25.25	26.50	Stan. Tie & Lumber West.	2.75	3.25
Empire Life Ins. 25% pd.	17.00	19.00	Sun Life Assce.	480.00	500.00
Federal Fdrs. & S. new com.	1.00	1.75	Third Can. Gen. Inv.	3.40	3.90
Foreign Power Sec. pfd.	10.00	13.00	Toronto Carpet pfd.	98.00	....
Galt Brass comm.	32.00	....	Toronto General Ins.	6.00	7.50
Goderich Elev. & Trans.	15.25	16.50	United Farmers Co-op.	3.00	4.00
Great Lakes Power pfd.	113.00	....	United Steel A pfd.	25.00	26.50
Great West Life	400.00	415.00	University Tower	7.00	...
Guardian Realty pfd.	37.00	....	Victoria Trust & Svgs.	128.00	....
Guar. Co. of N. America	385.00	....	Waterloo Mfg. com.	....	8.50
Guelph & Ont. Svgs. $50	60.00	....	Waterloo Trust & Svgs.	124.00	....
Gurney Foundry pfd.	3.80	4.35	Western Assur. com.	65.50	68.00
Hart Battery com.	8.00	9.00	Western Grain com.	1.00	1.60
Imperial Life	350.00	....	Western Grain com.	1.00	1.50
Interprovincial Brick A pf.	48.0	53.00	Do., pfd.	26.00	30.00
Do., B	17.00	21.00	York Trading com.	11.00	12.00
Lambton Loan & Inv. $50	77.00	88.00			

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 8	Milling 4	Oils 4	Textiles and clothing 9	Food and allied prod. 13	Beverages 8	Bldg. mater. 16	Power and traction 14	Banks 8	Total utilities 18	Total co's. 100
(Base 1935-39=100)												
***1935 to date:**												
High	210.2	287.9	149.7	123.7	214.4	138.5	447.0	168.5	146.2	136.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1947: Monthly Figures:												
Jan.	179.9	253.7	124.9	63.6	182.9	124.0	303.5	142.0	108.1	133.1	117.7	106.2
Feb.	184.9	264.3	125.3	68.6	190.6	129.3	302.5	145.3	110.4	133.4	121.8	109.4
Mar.	180.5	257.6	123.1	65.8	185.9	129.3	291.9	140.2	112.6	136.6	120.1	106.4
Apr.	180.9	242.3	122.8	64.4	180.1	128.6	281.6	136.8	110.3	130.1	117.7	104.8
1947: Weekly Figures:												
May 1	181.2	235.5	119.4	63.3	179.7	129.2	287.2	136.8	109.9	131.4	117.6	105.0
May 8	183.3	243.7	122.4	66.8	179.8	128.1	288.7	139.1	110.5	133.0	118.1	106.5
May 15	183.3	234.0	120.2	66.9	179.5	127.9	279.5	135.5	109.8	132.4	118.6	104.4
May 22	176.6	227.9	119.0	65.9	173.3	127.0	275.9	134.9	107.5	128.6	113.0	102.8
May 29	177.8	233.2	119.0	68.1	175.3	126.9	274.0	136.2	108.9	128.9	115.6	104.0
June 5	177.2	240.7	119.3	68.9	177.1	128.3	281.7	136.8	111.3	130.1	116.8	105.5

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
June 9	....	....	....	....
June 7	....	....	....	....
June 6	166.51	110.85	83.11	29.78
June 5	166.80	110.48	83.37	30.06
June 4	167.15	111.77	83.69	30.14
June 3	166.66	112.38	83.45	30.14
Month ago	168.79	102.08	83.81	24.05
Year ago	206.59	123.63	100.97	27.43
1947 High	184.21	114.35	96.14	30.24
1947 Low	159.82	96.31	77.91	22.25

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Comb.	10 Pprs.	15 Golds
June 9	...	....	....	....	....
June 7	...	....	....	....	....
June 6	77.4	120.1	105.9	313.85	75.38
June 5	77.9	119.9	105.9	312.56	75.38
June 4	77.9	119.7	105.7	308.13	75.12
June 3	77.7	120.0	105.9	308.12	74.84
Month ago	76.0	122.4	106.9	314.58	69.00
Year ago	79.7	147.4	124.9	390.68	97.78
1947 High	78.5	130.0	112.5	361.92	76.47
1947 Low	75.0	115.9	102.6	287.28	67.20

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
June 9	169.88	43.25	33.20	59.68
June 7	....	....	....	....
June 6	170.28	43.72	33.14	59.81
June 5	169.39	43.45	33.10	59.62
June 4	170.19	44.03	33.17	60.00
June 3	170.35	43.90	33.10	59.97
Month ago	169.80	44.32	33.83	60.04
Year ago	210.68	66.36	43.05	78.54
1947 Low	163.59	41.46	32.28	57.44
1947 High	184.49	53.43	37.58	67.10

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
‡Albert Bay 1st mtge. bds.	5%	1950	Aug. 1	103
‡Cooksville Co. 1st mtge. ser. 2½-3½%		1947-53	June 16	100½
‡Do.	4%	1954-58	June 16	102
‡Donnacona Paper 1st mtge. A	4½%	1956	Aug. 1	100
‡Gen. Theatre Inv. 1st mtge. ser. A	3½%	1947-48	July 2	100
‡Do.	4½%	1955	July 2	101½
Gt. Lakes Pwr. 1st mtge.	5%	1957	Aug. 5	102½
‡Guelph Carpet & W. Spinning debs.	4%	1960	July 2	103
Inter City Baking 1st mtge. ser. A	5½%	1948	July 1	100½
Maple Leaf Milling 1st mtge.	3½%	1963	July 1	101
‡Maritime Tel. & Tel. 1st mtg. ser. C	4%	1967	July 1	105
Moirs 1st mtge. bonds	6%	1953	July 1	Par
‡Montreal L. H. & P. 1st mtge. coll. tr.	3½%	1956	July 1	101½
‡Do.	3½%	1960	July 1	102½
‡Do.	3½%	1961	July 1	102½
‡Do.	3½%	1963	July 1	103
‡Do.	3½%	1973	July 1	100
Sao Paulo Elec. 1st mtge.	5%	1962	July 1	Par
‡Theatre Prop., Hamilton, 1st mtg.	5%	1959	Aug. 1	par
‡West Can Hyd El 1st mtge.	6%	1950	July 1	102
‡Do.	4½%	1978	July 1	103
‡Do. ser B deb	5½%	1966	July 1	104

‡All outstanding.

Stock Redemptions

Company:	Rate	Date	Price
‡Algoma Steel Corp. pf.	5%	July 1	100*
‡Calgary Power Co. Ltd., pref.	6%	June 16	105*

‡All outstanding shares. *Plus accrued dividends.

Company Meetings

1947	Company	Place
June 16	Castle-Trethewey M.	Toronto
June 16	McIntyre-Porc. M.	Toronto
June 16	Stop & Shop	Toronto
June 16	Temiskaming M.	Toronto
June 17	Premier Gold M.	Vancouver
June 17	Teck-Hughes G. M.	Toronto
June 18	Chateau Gai Wines	Toronto
June 18	Shawinigan W. & P.	Montreal
June 19	Dominion Coal	Sydney, N.S.
June 19	Can. Foreign Invest.	Montreal
June 19	Lord Nelson Hotel	Halifax
June 19	United Gold Eq.	Montreal
June 24	Com. Alcohols	Montreal
June 25	Cons. Textile Mills	Montreal
June 26	Dominion Stores	Toronto
June 26	Wabasso Cotton	Three Rivers
June 27	Brazilian Traction	Toronto
June 27	Candn. Vickers	Montreal
June 30	John Inglis	Toronto
July 22	Dom. Textile	Montreal

Investment Trusts

	Bid	Asked
Affiliated Funds	3.4	4.31
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	4.50	5.00
Can. Invest. Corp.	7.25	8.25
Commonwealth Int.	3.40	3.80
Corporate Inv.	8.85	9.50
Trans-Canada, A	13.00	....
Do., B	....	12.80

Bond Tenders

12 noon, June 12—Canada Treasury Bills—$75,000,000, dated June 13, 1947, payable Sept. 12, 1947.

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

June 10, 1947

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
▲Alg. Cen. H.B.R.	5	'59	67	70	66
†Assoc. Tel. & T.	5½	'55	108	...	108
Bell Telephone	3	'77	102½	104½	102½
B. C. Electric	3½	'67	102	104	102
♦Gatineau Pr.	3½	'70	104	106	104
*Do.	3	'70	103	105	103
Gt. Lakes Pr.	4½	'56	102	104½	102
Do.	5	'57	101½	104	101½
*Int. Hydro-El.	6	'44	99½	102½	99½
L. St. Law. Pr.	3½	'65	102	104	102
Mtl. L. H. & Pr.	3½	'56	100½	102½	100
Do.	3½	'73	99½	101½	99½
†Do., A	5	'55	101	...	101
Nat. Lt. & Pr.	4½	'61	102	...	102
Ott. L. H. & P.	4	'57	101½	...	101½
†Power Corp.	4½	'59	104½	...	104½
Quebec Pwr.	3	'62	101	103	101
St. Maurice Pr.	3½	'70	101½	103½	101½
Shaw. W. & Pr.	3	'71	100½	102½	100½
Do.	3½	'70	103	105	...
Union Gas	4½	'50	100½	103	100½
United Secs.	3	'52	100	...	100
Wpg. El.	3½	'71	102	104	102
Industrial and Realty Issues:					
Abitibi Pr. P.	3½	'67	100	102	100
Acadia-Atlantic Sugar	3½	'65	103	105	103
Aluminum Co.	3½	'74	105	...	105
B. C. Pulp & P.	3½	'67	100	102	100
†Brown Co.	5	'59	102	104	100
Burns & Co.	4	'63	100	102	100
Can. Celanese	3	'62	100½	102½	100½
Canada Electric	3½	'67	99½	...	99½
Can. Steamship	3½	'57	102½	104½	102½
Can. W. Lum.	4	'62	101	103	101
C. P. R.	3½	'51	104½	...	104½
Do.	4	'49	104	...	104
C. P. R.	4	Perp.	105	...	104½
Consol. Paper	3½	'67	101	103	101
Dom. Coal	4½	'52	100½	102½	100½
Dom. Scot. Inv.	3	'64	97½	...	97½
Dom. T. & Ch.	3½	'57	103	...	103
Dom. Textile	3½	'59	105	...	105
Dom. Woollens	5	'64	102	104	102
†Donnacona P.	4½	'56	99½	...	99½
Dryden Pap.	4	'61	101½	...	101½
Federal Grain	4	'64	102	104	102
Ham. Cotton	3½	'59	99½	...	99½
Imp. Tobacco	2¾	'66	100½	102½	100½
Inter-City Bak.	5½	'48	100	...	100
Indust. Accept.	3½	'66	99	101	99
Ins. Ex. Bldg.	5	'51	98½	...	98½
Bowater's Nfld. P. & P.	3½	'68	101	...	101
Inv. Bd. & Sh.	5	'47	98½	...	98½
Lake St. J. P.	5½	'61	102	104	102
Do.	5	'61	101½	...	101½
Legare	6	'61	100½	...	100½
MacMillan (H.R.) Export	4	'65	101	104	101
Maple L. M.	3½	'63	102½	...	102½
Massey-Harris	3	'66	99½	102	99½
McColl-Fron.	3	'71	99½	101½	99½
McCormicks	4	'52	101	...	101
Mercury Mills	4	'59	100½	102½	100½
Moirs Ltd.	6	'53	99½	...	99½
Montreal Apts.	4	'54	98	100	97½
N. S. Stl. Coal	3½	'63	98	100	98
Price Bros.	3½	'66	102½	104½	102½
Silv. Dairies	4	'60-64	101½	...	101½
Do.	4	'71	98½	100½	99
Simpsons, Ltd.	3½	'60	102½	...	102½
Toronto Elevat.	3½	'66	101½	...	101½
United Corp.	4	'58	100½	...	100½
†West. Grain	5	'63	96	98	95½
York Kt. Mills	3½	'71	100	...	100

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
*Payable in U. S.
♦Payable in Canada only.
▲Payable in Can. or U. K.

Unlisted Mines

Approximate quotations, 3 p.m., June 6, subject to confirmation:

	Bid	Ask		Bid	Ask
Abenakis	.03	.05	Mallen RL	.08	.10
Advance	.05	.07	Manterre	..	.05
Alcan	.02	.04	Marbenor	.15	.17
Alexander	.06½	.08	Marquette	.16	.19
Aljo	.01½	.02½	Mar Bird	.07	.09
Ama Kir	.12	.14	Mary Ann	.07	.09
Anna'que	.02½	.04	Mat Con	.29	.32
Argonaut	.05	.06	Mate Yel	.04	.06
Audley	.01	.03	Metalore	.03	.05
Aurlando	.03	.05	Mica Co	.90	1.10
Aurora Y	.21	.25	Miles R L	.14	.16
Auterra	.01	.03	Mink	.07	.09
Baker	.11½	.13	Moff H n	.02½	.04
Barb L n	.04	.06	Moha'k P	.02	.04
Beauriv	.07	.09	Murbell	.01½	.02½
Bi-ore	.46	.47	Murmac	.10½	.12
Blondor	.02½	.03½	McCuaig	.08	.10
Blue Gr	.03	.05	McManus	.10	.12
Bouzanne	.05	.08	Nation M	.16	.18
Bourl C	.04	.06	Nab '45	.33	.38
Bradnor	.03½	.05	Nereco	..	.15
Br. Breest	.03	.05	Newcore	.25	.35
Bravo	.03	.05	New Aug.	.08	.10
Brig R L	.07	.09	New Mal	.04	.05
B. McD	.50	.55	Nicoba	.52	.55
Burley Po	.01	.02	Norbeau	.65	.75
Camlaren	.05	.07	Norcourt	.01	.21
Captain	.04	.06	Norford	.05	.07
Caramora	—	.38	Normar	.07	.09
Carimac	.04½	.06	Nortyne	.01	.03
Carricona	.02½	.04	Novele P	.05	.08
Cassidy	.09	.11	Obalski	.05½	.06½
Cen Mani	.17	.19	do '45	.10	.12
Cock R L	.04½	.05½	Obaska	.17	.20
Columbier	.02	.02½	Oklend	.05	.06
Con Chib	.25	.28	Olivet	.02	.03
Con Cop.	.11	.13	Opemiska	.15	.17
Courageo	.06	.08	Orpit	.04	.05
Craibbe	.16	.19	Ortona	.04½	.05½
Croydon	.03	.05	Pascalis	.25	.27
Cuyuni	.80	.85	Peg Tant	1.15	1.25
Delhi	.07	.09	Pelangio	.06½	.07½
De Sant n	.05	.07	Payne	.02	.03½
Dom Mal.	.02	.03	Phelps	.02	.04
Dona Pat	.02½	.03	Pinnacle	.02	.04
Durham	.19	.23	Poona Go	.02	.03
Doris	.10	.15	Presdor	.03	.04
Echo Ind	.07	.09	Privateer	.43	.45
Electra	.08	.11	Quest	.09	.11
Elmac	.05	.07	Rajah R L	.03	.06
El Toro	.23	.25	Rambull	.02	.04
Erin Kirk.	.02	.04	Rand Mal	.07	.09
Erndale	.50	.55	Randona	.04	.06
Flicka	.06	.09	Raymond	.04	.06
Gilbec	.01	.02	Rebair	.27	.30
Goodrock	.02	.03	Redruth	.03	.05
Gord Leb	.11½	.13	Redwood	.04	.05
Gov Gold	.05	.07	Richgroup	.05½	.07
Grnd Chi	.50	.70	Rhyolite	.03	.04
Greenlee	.07½	.09	Rugged	..	.10
Grndhog	.24	.27	Rupununi	.31	.34
Gwillam	.04½	.05½	Russet	.09	.11
Halden	.00	.11	Salmita	.14	.18
Habitant	.05	.07	Santiago	.14	.17
Harp Mal	.02½	.03½	Sepha	.03	.04½
Hayes Cd	.01½	.02½	Sheldon	.21	.23
Homst'd n	.40	.42	Silv Arro	.15	.16
Hornfault	.10½	.12	Skynner	.04	.05
Hugh Pa	.06	.08	Sovereign	.04	.06
Independ	.10	.12	Steeber	.01	.02
Indyke	..	.06	Sun Bear	.06	.08
Joannes D	.02	.04	Thornhill	.01½	.02½
Kamlac	.14	.16	Tiffany	.03	.04
Ken-Bay	.17	.20	Tobico	.01½	.02½
Kencour	.05	.07	Tovarich	.01½	.03
Kenda Pe	.17	.20	Val d'Bel	.03	.05
Kenroy	.01½	.02	Vincent	.16	.19
Lk Expa	.06	.08	Vinray	.12	.13
Lar-Add	.04	.05	Virginia	..	.09
La Salle	.10	.12	Wesley	.02	.03
Lavalie	.05	.06	West R L	.03½	.05
Legardo	.02	.04	West Sh	.00½	.01½
Lennie	.05	.08	Wilwood	.03	.05
Lingmora	.05	.07	Yel'knife	2.00	2.25
Major Oil	.05	.07	Y Davids	.19	.21

Record of Financing

Sales by Municipalities and Dominion Governments. Offerings of Corporations and Foreign Securities

PROVINCIAL

Province of New Brunswick — 2% due June 15, 1950, $2,500,000 and 2¾% due June 15, 1962, $4,000,000, dated June 15, 1947, at $98.719, 2¾% offered at $99¼ to yield 2.81%. Sold to Nesbitt, Thomson & Co.; Fairclough & Co. Ltd.; R. A. Daly Co. Ltd.; Gairdner & Co. Ltd., and Anderson & Co.

MUNICIPAL

Township of Toronto—3% due May 1, 1948-57, $48,350, issued June 1, 1947, at $102.88. Offered by C. H. Burgess & Co.

District of Maple Ridge, B.C. — 3% due July 2, 1953-61, $67,000, issued June 2, 1947, at $99.75, approximately 3.05% cost basis. Sold to Bank of Montreal.

Village of Crystal Beach, Ont.—3½%, due May 1, 1948-57, $59,221, issued May 19, 1947. Sold to J. L. Graham & Co.

Bathurst School Dist. No. 2, N.B.—2½%, 2¾% & 3%, due June 1, 1948-77, $300,000, issued May 23, 1947, at $98.81. Sold to Bell, Gouinlock & Co.

Plessisville School Com., P.Q.—2½% & 2¾%, due July 1, 1948-77, $65,000, issued May 26, 1947, at $98.18, cost basis 2.8529%. Sold to A. E. Ames & Co.

Town of Campbellton, N.B. — 2¾% & 3%, due June 15, 1948-67, $225,000, issued May 27, 1947, at $100.42. Sold to Dominion Securities.

City of Saint John, N.B. — 2%, 2½%, 2¾% & 3%, due June 1, 1948-67, $743,000, 2¾% due June 1, 1962, $403,000, 3% due June 1, 1972, $164,000, issued May 29, 1947, at $99.27. Sold to A. E. Ames & Co.; T. M. Bell & Co. Ltd.; Royal Bank; Wood, Gundy & Co.; R. A. Daly Co. Ltd.; Eastern Securities; F. V. Brennan & Co. Ltd., and Bank of Nova Scotia.

Maniwaki Village, P.Q. — 3%, 20 year serials, $39,000, issued May 30 at $100. Sold privately.

Les Syndics de la Paroisse de Ste-Paule—2¾% and 3% due May and Nov. 15, 1947-67, $165,000, issued May 30, 1947, at $100.25. Sold to Paul Gonthier & Co.

La Congregation des Freres de L'Instruction Chretienne—2½% and 3% due April 1, 1948-72, $450,000, issued May 30, 1947. Sold to Paul Gonthier & Co.

City of Peterborough, Ont.—1¾%, 2¼% and 2¾%, due June 30, 1948-67, $811,000, issued June 2, 1947, at $101.29. Offered by Bank of Montreal.

Township of Scarborough, Ont.—2½% & 3%, due June 1, 1948-67, $111,000, issued June 2, 1947, at $100.479. Offered by A. E. Ames & Co.

Town of Mount Royal, P.Q. — 2% and 2½% due May 1, 1948-67, $495,000, issued June 2, 1947, at $98.173. Offered by Mead & Co. Ltd. and McTaggart, Hannaford, Birks & Gordon.

CORPORATE

St. Lawrence Lithographing Ltd.—3½% due Feb. 1, 1948-52, $57,500, 4% due Feb. 1, 1953-62, $112,500, 4½% due Feb. 1, 1963-67, $55,000. Issued May 30, 1947. 1948-62 maturities offered at $100, 1963-67 maturities offered at $101 by Desjardins, Couture & Co.

PREFERRED STOCKS

Dominion Tar & Chemical — $3,525,000, cumulative redeemable preferred shares (par value $23.50). Dated July 2, 1947, at $24.00 per share, to yield 4.17%. Offered by Wood, Gundy & Co. and Greenshields & Co.

Goodyear Tire & Rubber—$2,500,000, 4% cumulative redeemable sinking fund preferred shares (par value $50 per share) at $52.50 per share. Offered by A. E. Ames & Co. Ltd.; Dominion Securities Corp., and Nesbitt, Thomson & Company Limited.

Municipal Bonds

June 10, 1947

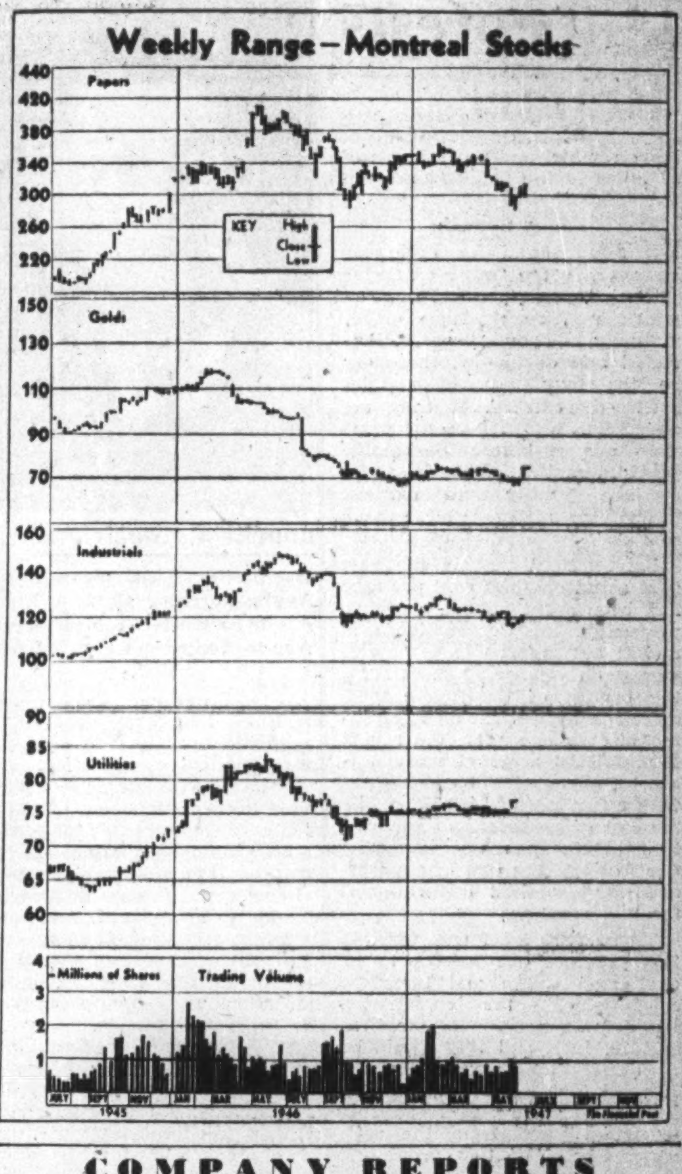
	Coup. %	Matur.	Bid $	Ask. $	Yld. %
Victoria	3¾	'55-67	103	105½	2.95
Vancouver	3	'67	99	102	2.87
Calgary	3½	'51-61	101½	104½	2.25
Edmonton	3½	'49-59	100½	103½	1.78
Regina	3	'64	98½	101½	2.89
Moose Jaw	3-3½	'60	98	101	3.20
Winnipeg	2¾	'66	98	101	2.68
Ottawa	3	'54	104	106	2.10
Toronto	2¾	'72	100	101½	2.67
Hamilton	3	'53	104½	106½	1.85
Windsor	2½	'75	84	87	3.20
Windsor	2¾	'75	89	92	3.18
Windsor	3½	'75	98	101	3.45
Montreal	3	'70	99	101½	2.92
Quebec	2¾	'66	98	100	2.75
Halifax	3	'66	101	103	2.80
Saint John	3½	'65	105	107½	2.97

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$15.22	$15.16	$13.15
Hogs	21.60	21.60	20.35
Copper, lb.	.21½	.21½	.12
Sugar, raw, lb.	.06185	.06185	.04205
Coffee, lb.	.22¾	.22¾	.09⅜
Hides	.26	.25	.15½
Weekly Indices			
U. S. Labor	147.4	146.9	111.1
Dow Jones	126.39	132.69	100.79
Fishers	159.0	159.0	119.7
Monthly Indices			
Retail (May)	133.1	130.6	122.0
W'sale (Mar.)	120.4	118.1	105.6
U. S. (Feb.)	144.6	141.5	107.7
Gt. Brit. (Feb.)	183.2	181.6	171.8

Note:—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. *The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good over 1,050 lb., top price, Toronto. Copper - electrolytic, New York. Coffee No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.



COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

STERLING COAL CO. net profits in 1946 were 44.2% above retained net profit of $25,825 in 1945. The petroleum products division showed steadily increased sales, largely owing to the introduction of Dynafuel to the Canadian market, which has substantially improved the operating position of the company, President A. R. Gibson states.

On Apr. 15, 1947, fuel regulation controls were terminated. However, keeping in mind the still unsettled United States mining situation, the Canadian coal administrator still calls for monthly reports on imports and sales and reserves the right to resume, if necessary, active control of fuel distribution. The future operations are clouded, for like other business, the fuel business cannot be considered as on a settled, normal basis and close, careful attention will be required as to supplies and operation, Mr. Gibson adds.

CONDENSED INCOME ACCOUNT

Years Ended Mar. 31:	1947	1946
Net earnings	$120,968	$101,594
Less: Deprec.	30,122	20,169
Bond interest	9,000	9,000
Income tax♦	44,600	43,700
Invent. res.	......	2,900
Net profit & surplus*	37,246	25,825
♦Incl. ref. EPT	......	2,250

*Note: Co's. report includes ref. EPT in net profit & surplus for year.

Times Interest Earned:		
Before deprec.	13.44	11.29
After deprec.	10.09	9.05
Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$1.49	$1.03
Incl. ref. EPT	1.49	1.12
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Mar. 31:	1947	1946
Cash	$30,007	$40,146
Invest. at cost▲	42,415	29,934
Accts. rec.	218,078	199,914
Inventories	124,892	160,514
Total curr. assets	415,392	430,508
Misc. assets‡	29,625	18,320
Goodwill	2,500,000	2,500,000
Fixed assets*	272,062	252,340
Total assets	3,217,079	3,201,168
Demand loan	50,000	......
Accts., tax., etc., pay.	143,359	218,820
Contingent res.	4,500	4,500
Total curr. liab.	197,859	223,320
Funded debt	200,000	200,000
Capital stock	2,500,000	2,500,000
Surplus‡	319,220	277,848
*After depr. of	338,828	321,940
▲Market value	48,319	30,080
‡Incl. ref. EPT of	3,100	3,100
Working capital	217,533	207,188

EAST KOOTENAY POWER CO. net profit for the year ended Mar. 31, 1947, was $27,056 ($1,197 in previous year). Business conditions were good in the company's field of operations—the coal fields of Southwestern British Columbia and Southwestern Alberta and the base metal operations in and around Kimberley, B.C. Hydro conditions were better than normal. The net system output was 122,567,730 kw. hrs. (123,732,493 in previous year). Gross revenue increased $11,865 and operating expenses decreased $15,586. New financing will result in considerable saving, due to decreased interest charges. The company is not yet able to resume payment of dividends on the outstanding 7% cumulative preferred shares, it is said.

INCOME ACCOUNT

Years Ended Mar. 31:	1947	1946
Net earnings	$408,886	$381,435
Less: Interest	211,745	234,750
Depreciation	135,000	135,000
Employ. pension	10,085	7,925
Doubt. accts. res.	......	2,563
Inc. & profits tax	25,000	......
Net profit & surplus	27,056	1,197
Times Interest Earned:		
Before deprec.	1.93	1.62
Earnings per Share and Dividend Record:		
Pref.: Earned	$2.71	$0.12
Com.: Earned	d1.46	d2.33
None paid on either stock.		

CONDENSED BALANCE SHEET

As at Mar. 31:	1947	1946
Cash & Dom. bds.	$12,614	$160,316
Accts. rec.	68,158	59,676
Inventories	68,926	69,110
Total curr. assets	149,698	289,102
Prep. exp., etc.§	17,323	24,569
Misc. assets	......	49
Fixed assets‡	4,652,887	5,393,285
Total assets	4,819,968	5,707,005
Total curr. liab.	3,565,799	1,702,764
Consum. dep.	18,433	......
Funded debt	......	1,824,000
Depreciation res.	......	965,534
Doubt. accts. res.	......	6,087
Capital stock*	1,147,385	1,147,385
Surplus	88,291	61,235
‡After depr. of	837,608	......

*After deducting $2,615 (533 shs.) held in trust for employees.
§Incl. in curr. assets in co's. report.

Working capital†	3,416,101	1,413,662

†Excess of curr. liab. over curr. assets.

CANADIAN FOREIGN INVESTMENT 1946 net profit was off 17.3%. Dividends, after tax, from holdings of capital stock of the Companhia Brasileira de Cimento Portland Perus, decreased from $354,749 to $293,090. Total net revenue from all Brazilian sources was $298,601. Revenue from other investments was $19,709 against $17,340 in 1945.

Demand for cement in Brazil was greater than the domestic production, and foreign cement was imported in fair quantity. Plant operations of the Brazilian company were not at full capacity, but 911,533 barrels of cement were shipped, against 894,353 barrels in 1945. Prospects for the current year are apparently fairly good, it is stated.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Income	$348,242	$414,757
Less: General exp.	28,987	28,826
Taxes	33,178	40,064
Net profit	286,077	345,867
Less: Com. divds.	275,310	330,372
Surplus for year	10,767	15,495
Earnings per Share and Dividend Record:		
Common: Earned	$3.90	$4.71
Paid*	3.75	3.00+1.50

*Includes payts. to April of the following year in 1946 and to July in 1947.

BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$227,569	$72,881
Mkt. securities*	584,019	583,804
Brazilian bonds	55,367	55,367
Interest in subsid.	609,201	646,550
Total assets	1,476,156	1,358,602
Fee payable	100	100
Dividends pay.	110,124	......
Exchange res.	42,060	37,486
Pension res.	27,000	10,000
Capital stock	456,060	456,060
Earned surplus	840,812	855,046
*Market value	603,994	587,400

NORTHERN CANADIAN MORTGAGE CO. net profit for the year ended Mar. 31, 1947 amounted to $15,661 as compared with $12,824 the previous year. Prior encumbrances on real estate which consist of apartment blocks, have again been materially reduced. Last year they totalled $223,111. The equivalent figure this year was $177,283. At year end victory bonds on hand amounted to $25,000.

The wholly owned subsidiary, The Northern Canadian Agencies, again had a satisfactory year. Earnings amounted to $11,281. During the year there was a profit of $1,656 from sale of stocks and bonds.

	1947	1946
Liabs. to public, etc.*	$48,535	$21,323
Shareholders' equity	377,665	369,476
Capital surplus	43,337	43,337
*Secured by:		
Mtge. & sales agree.	50,883	24,947
Realty for sale	305,654	306,967
Liquid assets♦	112,900	102,122
Total	469,437	434,036
♦Including bonds and stocks.		
Earned per Share†	$1.28	$1.05
Paid	‡0.80	▲0.80

†Pref. only. ‡Incl. 40c. pd. July 1, 1947. ▲Pd. June 1, 1946.

CRESCENT CREAMERY CO. net profits increased 11.66% to $82,807 in year ended Mar. 31, 1947, mainly as a result of a drop from $73,716 to $57,673 in provision for income and excess profits taxes.

Working capital moved up from $421,793 at Mar. 31, 1946, to $430,320. Surplus forward was $178,939 at year-end.

INCOME ACCOUNT

Years Ended Mar. 31:	1947	1946
Net oper. profit	$171,096	$177,137
Less: Deprec.	31,803	29,315
Income tax res.	57,673	73,716
Loss on asset sale	1,813	......
Add: Prof. on asset sale	3,000	55
Net profit	82,807	74,161
Less: Pref. divds.	40,845	40,845
Surplus for year	32,962	24,316
Earnings per Share and Dividend Record:		
Pref.: Earned	$8.31	$7.44
Paid	5.00	5.00

CONDENSED BALANCE SHEET

As at Mar. 31:	1947	1946
Cash & Dom. bonds	$466,333	$534,033
Accts. rec.	78,695	125,809
Inventories	77,669	67,401
Total curr. assets	622,697	727,283
Securities‡	1,600	1,600
Misc. assets♦	58,050	38,658
Fixed assets*	498,415	491,654
Goodwill	273,963	273,963
Total assets	1,454,625	1,533,168
Accts. & tax. pay.	178,308	281,333
Deps. & tickets	13,969	14,107
Total curr. liab.	192,277	296,440
Def. revenue	4,194	3,491
Capital stock	1,046,900	1,046,900
Capital surplus	32,315	32,315
Earned surplus▲	178,939	144,962
*After depr. of	798,653	771,776
‡Market value	1,950	1,700
▲Incl. ref. EPT	23,617	23,632
Working capital	430,320	421,793

Anglo Canadian Telephone Shares On Market Soon

MONTREAL (Staff)—Although shareholders of Associated Telephone and Telegraph Co. have approved sale of the company's interest in Anglo Canadian Telephone Co., no holdings of class "A" stock have yet been sold, it is stated here. It is reported, however, that the 200,000 deferred shares of Anglo Canadian held by Associated T. and T. have been transferred to Automatic Electric Co., a manufacturing subsidiary, and that the latter has transferred them to an associated company.

It is understood that associated T. and T. holds 212,671 of the 487,100 class A shares of Anglo Canadian Telephone. Investment men here expect these shares will be offered publicly, either in Canada or United States, as soon as the market is believed in a position to absorb them.

Market Comment

Our industrial market turned listless this week and lagged behind a New York market saddled with uncertainty over pending labor and income tax legislation plus a general gloomy appraisal of the profit picture by year end. Volume continued light, however, on both boards. Presidential approval of all-important labor and tax reduction bills could generate enthusiastic market response that would be reflected on Canadian boards.

Though most of the early week's action was in the western oils traders were generally disappointed that the upturn was not more pronounced, particularly with the favorable report on Imperial Oil's Leduc No. 4 well. Hurried deals are the order of the day in the Leduc area. It is known that several Canadian and U. S. refinery companies are currently arranging options in this area.

Increasing activity in western oils appear to be at the expense of the golds. Heavy trading in the speculative oils plus a somewhat easing hope for early improvement in the gold mining picture siphoned off considerable steam from the mines this week.

Base metals gave a featureless display with the decontrol announcement, registering a decline of almost a point the first day. Evidence of an earlier stabilizing "supply-demand" situation in the U. S. than had been anticipated, has taken some of the edge of the metals.

* * *

Barron's: The Trader (New York) "Stronger evidence of business deterioration must soon appear to justify the expectation of sweeping liquidation of stocks. Readjustments in soft goods lines bulk small in comparison with shortages of steel, oil, automobiles, etc., and with the huge backlogs of orders in the heavy industries. Even allowing for a by no means yet assured sizeable decline in profits in the second half-year, stock prices in relation to earnings and yields represent values that prevail in a buying, not a selling, market area."

* * *

New Highs and Lows

During the week ended June 7 eight new highs were recorded among the "general" stocks traded on Canadian stock exchanges, and 19 new lows. In the mining group there were eight new highs and 11 new lows. Thirty-five new highs and one new low were recorded in the oil stocks.

GENERAL

New Highs—1947

Can. Cottons pf. — Gr. Lakes Pap. n.
Bruck Silk Mills — Do., pref.
Crown Tr. & Guar. — Gr. West Felt
Dom. Coal — McColl Frontenac

New Lows—1947

Beatty Bros. A — John Labatt
Brand & Millen — Lowneys
Canada S.S. — Ottawa El. Rly.
Can. Convert. (B) — Saguenay Pr. pf.
Dom. Scot. Inv. pf. — Shawinigan Pwr.
Dom. Tar & Ch. — Shea's Brew.
Do., pref. — Sher.-Williams
Goodyear Tires — Taylor Pearson
Gr. Lakes Paper — United Steel
Int. Bronze

MINING

New Highs—1947

Dexter R. L. — Kirkland L.
Dome Mines — McIntyre
Dulama — North. Can. Mines
Jeep Mines — Roy Bar Chi

New Lows—1947

Aubelle — O'Gama Rock.
Beatrice — Quatsino
Broulan — Reeves McDonald
Century Mining — Villbona
Congress — Wright Hargreaves
Courner

OILS

New Highs—1947

Acme Gas & Oil — Mercury
Admiral — Madison
Alta. Pac. Cons. — McDougal S.
Alliance — Mercury
Anaconda — Model
Anglo-Can. — Mid Continent Oil
Calmont — National Pet.
Coastal — Okalta
Commonwealth P. — Phillips P.
Dalhousie — Princess P.
Davies Pet. — So. West ete
East Crest — Spooner
Free Hold. — Superior
Globe — United Oils
Hargal — Vanalta
Home — Vulcan
Homestead — Warner
Lethbridge

NORZONE ROUYN MINES has received payment on balance of May 15 installment of $19,400.

Industrial Development Bank Loans and Investments Up

MONTREAL (Staff) — Loans and investments of the Industrial Development Bank moved up $187,936 or 2.6% in March over the previous month; and totalled $7,533,888 at March 31. Cash and other assets, at $158,722, are down $54,229. Following is the statement

Cash on hand and	Feb.	Mar.
Assets	$	$
Cash on hand and dep. with other bks.	24,480	4,872
Dom. Govt. secs.	8,076,738	7,977,886
Loans & investments.	7,345,950	7,533,888
Guarantees & underwriting agreements.	5,000	4,624
All other assets	188,471	153,850
	15,640,639	15,673,119
Liabilities		
Capital paid-up	15,000,000	15,000,000
Reserve fund	439,561	439,561
Conting. liab. under guar. & underwriting agreements	5,000	4,624
All other liabilities	196,128	230,333
	15,640,639	15,673,119

Montreal Trains Tourist Guides

MONTREAL (Staff)—This city is taking tourism seriously this year. To provide expert guides for visitors who want to see the city sights, a tourist school is being conducted at McGill University. Under the direction of R. M. Morris of the Greater Montreal Economic and Industrial Bureau, student veterans are getting a fast briefing on the city's architecture, geology, geography, culture, etc. Teachers are for the most part McGill professors who are giving their time voluntarily. Use of the lecture hall is also a gift from the University.

MINING STOCKS...
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Stop Fires! Plant More Trees to Build Up Forests Saskatchewan Commission Urges in Report

Canada's forests hold a high place in the domestic and export trade of the nation. Saskatchewan's hopes of maintaining and extending her dwindling forests resources are discussed in this report.

The perpetuation of Canada's fabulous forest products industry depends on intelligent and far-sighted management. Today, more than ever before, governments and the industry are seeking, through royal commissions, the answers to problems of fire prevention, reforestation, conservation, planned production and growth perpetuity.

One of the greatest of Canada's natural resources, forests are the basis for the $700 million pulp and paper industry. Payrolls derived directly from it amount to $382 millions. It employs 250,000 people. But the annual fire loss is around 2½ million acres annually.

What happens to this tremendously important phase of our economy, will eventually affect the standard of living of every Canadian. Reflecting this concern for the future of our forests are the two royal commissions on forestry which recently concluded their hearings. The Ontario report has yet to be published but recently the findings of the Saskatchewan commission were made public. This report put fire prevention at the head of the list of urgent problems.

"Unless the forest fire situation is seriously faced, it is useless to discuss further the problems of forest management, development and improvement that merit attention," the report says.

The Commission warned too that "the end of Saskatchewan's softwood industry on an expanded scale is in sight," because the chief lumber species would not last more than five years at rates of consumption being carried out previous to restrictions imposed within the past two years.

It also suggested that an active and intelligent public interest in forest matters was essential in securing a proper forest policy and in keeping close watch on all governmental activity in this field.

Ask Complete Inventory

Other recommendations:

A three-man advisory board, a forestry personnel representative, one from the industry, one from the legislature representing the public; to promote forest conservation, fire protection, and efficient management of forestry affairs; to maintain contact with the minister, department officials and the public, and to make recommendations to the minister;

A complete forest inventory, and planned forest management.

Silvicultural treatment to assure a new crop and to improve already established growth.

Abolition of the regulation which permits farmers in forest areas to cut saw timber for their own requirements.

Representations to the Dominion Government for a federal forest pathology station, to combat forest diseases.

A trained, fairly paid, loyal and numerically adequate staff to carry out forestry administration.

Construction and maintenance of roads into timber cutting areas.

Prompt provision of additional fire towers and communication equipment; curtailment of travel through forest areas during hazard periods; restriction on hay cutting in forest areas; establishment of at least one well-equipped nursery.

In presenting the report, Chairman Frank Eliason said: "Value of commissions depends upon whether or not their recommendations are implemented. In this case we find that a majority of our recommendations have been already accepted and put into effect."

This was achieved through two interim reports from the Commission. As a result, the Government organized fire protection measures in time for the 1946 season, curtailed cutting operations, secured additional forestry personnel, opened a school for foresters at Prince Albert, established a marketing board for lumber, began research into aspen (poplar) waste, and commenced a forest inventory by air, and building of certain roads in forest areas.

The Commission, appointed by order-in-council on October 16, 1945, consisted of Mr. Eliason, secretary of the United Farmers of Canada, Saskatchewan section, chairman; Dr. John Mitchell, in charge of the soils department, University of Saskatchewan; John C. Irwin, B.Sc., F., F.E., Toronto; Donald Galbraith, representing Saskatchewan lumber producers, Nipawin and William Bayliss, of Love, Saskatchewan. Counsel for the Commission was Peter G. Makaroff, K.C., of Saskatoon.

Travelled Into North

The 218-page report was the result of months of travel in the northern forested area and in southern industrial centres of the province, in which the whole forestry situation was studied, and the evidence of 83 witnesses received, under oath.

One of the most important recommendations of the Commission, said the minister, urged abolition of the regulation permitting farmers living within a specified distance of the forest to secure said timber for their own requirements.

The report said that if the Government wished to assist worthy settlers with lumber for their buildings "we recommend that they be assisted financially in the purchase of their certified requirements."

The reason for this recommendation was, the Commission said, that the "privileges granted have been abused by persons who have taken far more than their requirements. The sale of surplus so acquired has had the effect of depressing the lumber market in times of economic stress, and has been sold during the present period of high demand in contravention of the regulations."

In regard to forest management, the Commission said that despite the difficulties, "Saskatchewan must undertake planned forest management unless we are content to continue on the course which has resulted in the approaching exhaustion of the principal lumber species, white spruce, and the great reduction of jackpine in sizes suitable for lumber and ties. Such management will also be required for aspen if a steady and economical supply of suitable sizes is to be furnished for such industries or markets as may be developed."

Taking of a complete forest inventory "should not be long delayed . . . In our view it is desirable that such an inventory, as far as merchantable and near merchantable areas are concerned, should be completed by December 31, 1949."

The report pointed out that cutting had proceeded so far and fire destruction had been so extensive that "most of the mature spruce will have to be hauled distances of from 40 to 70 miles by truck to the railroad. Jackpine for ties is also becoming increasingly remote, and truck hauls of 50 miles to the railhead are not uncommon."

Young Growth

It saw ground for optimism, however, in the "quite extensive stands of young growth, some of which will be reaching usable maturity in about 20 years. Protected and developed, these can be the foundation of another softwood industry. If they are allowed to burn, 50 to 100 years may elapse before Saskatchewan's forest lands will again produce lumber and revenue from her mature softwood species."

Pointing out that in the past only about one-half cent per acre had been spent annually on fire protection, the Commission said it was not reasonable to "spend money on improving forests for the benefit of the future until more has been spent on fire protection." In one year, the report said, 278,172 acres of merchantable timber were burned over, with a fire loss of $460,532, while the cost of suppression amounted to $414,969. In many years the fire loss and the cost of suppression far exceeded departmental forestry revenue.

"Some 90% of forest fires in this province are known to be of human origin and therefore controllable," the commission found. "A repetition of the fires of 1919, 1937, and 1942 would be a calamity that would set back 30 years the hope of re-establishing a profitable and reasonable perpetual yield from the softwood forests of this province," the report declared.

Restrictions on hay cutting in forest areas, because of the attendant fire hazard, "were strongly recommended as the maintenance of the forest is of far greater importance to each individual farmer than the hay cutting privilege."

Saskatchewan should undertake "all cutting of the mature forest of every type in such a way as to preserve already established growth and/or secure natural regeneration from seed so that an adequate restocking is secured." "We are of the opinion," the report said, "that the Provincial Government must regard this perpetuation and rebuilding of the forest as of first importance, and forego, if necessary to accomplish this end, any net revenue from the forest for the general funds of the province," at least until the capital stock is replenished.

Closer supervision of cutting and harvesting operations was suggested, together with development of long-term agreements to enable operators to plan for longer periods of operation.

If forest revenue is not adequate to meet financing of scientific development, long-term credit should be obtained on the basis of Dominion participation.

Permanent forest boundaries should be established, and land in forest areas but actually outside provincial forests should be subject to the same alienation limitations as apply to lands in the provincial forests.

At least one well-equipped nursery, specializing in the growing of white spruce and jackpine seedlings, should be maintained, with a full-time superintendent in charge, and further study should be given to establishment of one experimental forest farm unit.

To deal with fungus and similar diseases in the forests, the commission suggested that recommendations be made promptly to the Dominion Government to establish and man a forest pathology station.

A wallboard mill should be built for utilization of aspen (a species of poplar) and tree tops, and development of markets for rough pulp, fire-killed timber and small diameter trees not suitable for ties and lumber.

Waste in connection with logging, sawing and pulpwood operations was condemned. Stressing the necessity for adequate roads as a means of eliminating waste, the report said: "We think the Government should recognize its responsibility as permanent owners of forest land, and construct and maintain roads into the forests for the removal of forest products and to make the forest accessible for fire suppression."

ROBERT W. JOHNSTONE

vice-president and manager of Anglin-Norcross Ontario Ltd., has been elected a director of Anglin-Norcross Corp., Montreal.

Tasmania Eyes Canada's Setup

From Our Own Correspondent

VICTORIA—A treasury economist for the Australian State of Tasmania, K. J. Binns, will spend more than three months in Canada enquiring into Dominion-Provincial relations.

He made his first official stop on his coast-to-coast survey trip here, conferring with Premier John Hart and Finance Minister Herbert Anscomb.

As far as he could see, Mr. Binns said, British Columbia "has a successful financial arrangement with the Dominion Government."

Mr. Binns' next stop will be at Ottawa, to be followed by a trip to cities on the Atlantic seaboard.

The high cost of living in the United States, and even in Canada, "appalled" the Australian visitor.

Alberta's venture into Social Credit is of interest to Mr. Binns, who will visit Edmonton in about three months. "We have heard a lot about Alberta and Social Credit in Australia," he said.

The Commonwealth is reluctant to return sources of taxation to the states which were taken over because of the wartime emergency, Mr. Binns said. He felt the main problem for Australia, as in Canada, was to find a successful working agreement whereby the Commonwealth will have enough money to finance additional social security programs, and yet leave the states an adequate amount for their finances.

Australia still has butter and sugar rationing, the economist said, but most consumer goods are in ample supply. Automobiles were one exception.

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Continued from page 20

grants, and these grants between different layers of government are becoming an increasingly important aspect of our government finance, and will probably become of a permanent nature. The general tendency is for the higher layer of government to make grants to the lower. This is inherent in our present Dominion-Provincial tax deals. It is also apparent between the Provinces and their municipalities, in the Ontario mill subsidy in lieu of income tax, in educational grants, in road allowances and so on. Subsidies of this character are the result of expediency rather than any clear-cut allocation of financial resources and responsibilities. They can prove very complicating, are not necessarily permanent, are very difficult to control, and do not give as good an answer to the municipality's real problem as additional sources of revenue and/or decreased responsibility for expenditures.

The above suggest to me that credit worthiness will again become a factor of prime importance, and considered judgment will have to be given to the economic background and all the other factors which normally enter into the consideration of a municipal security. In other words, I am suggesting that risk differentials between the issues of various municipalities will tend to re-assert themselves in the yields obtainable at whatever level the interest rate itself happens to be.

Consideration of the market would not be complete without reference to certain external factors which may vary the differentials between municipal securities as a class and Dominion Government issues. These external factors are incidental results flowing from government controls. For instance, the restriction placed recently on bank earnings from ownership of Dominion Government bonds has resulted in a greater emphasis by banks on other securities, particularly municipals, where no limitation on the amount of earnings applies. Also, certain rulings of the Foreign Exchange Control Board with regard to the export and import of securities has had a tendency to make it attractive to export municipal securities and import other securities. Both these arbitrary governmental rulings at the present time are having a tendency to place municipal securities at somewhat artificial levels, vis-à-vis Dominion of Canada obligations, and tend to distort the normal valuation of risk.

("Bunkhouse Scene", drawn by Charles Comfort, R.C.A., from his original painting for the pulp and paper industry.

$1,500,000 Every Day

The pulp and paper woodsman takes only about a sixth of the total wood consumed in Canada. Fire and other ravages consume much more. Yet on the pulpwood crop alone is based the mightiest bastion of Canadian commerce: pulp and paper, which every day in the year creates $1½ million of new wealth for Canada and Canadians.

On pulp and paper's wood harvest is based the largest single industrial producer and wage-payer in Canada. It buys more goods and services than any other industry. It is the largest exporter in the land.

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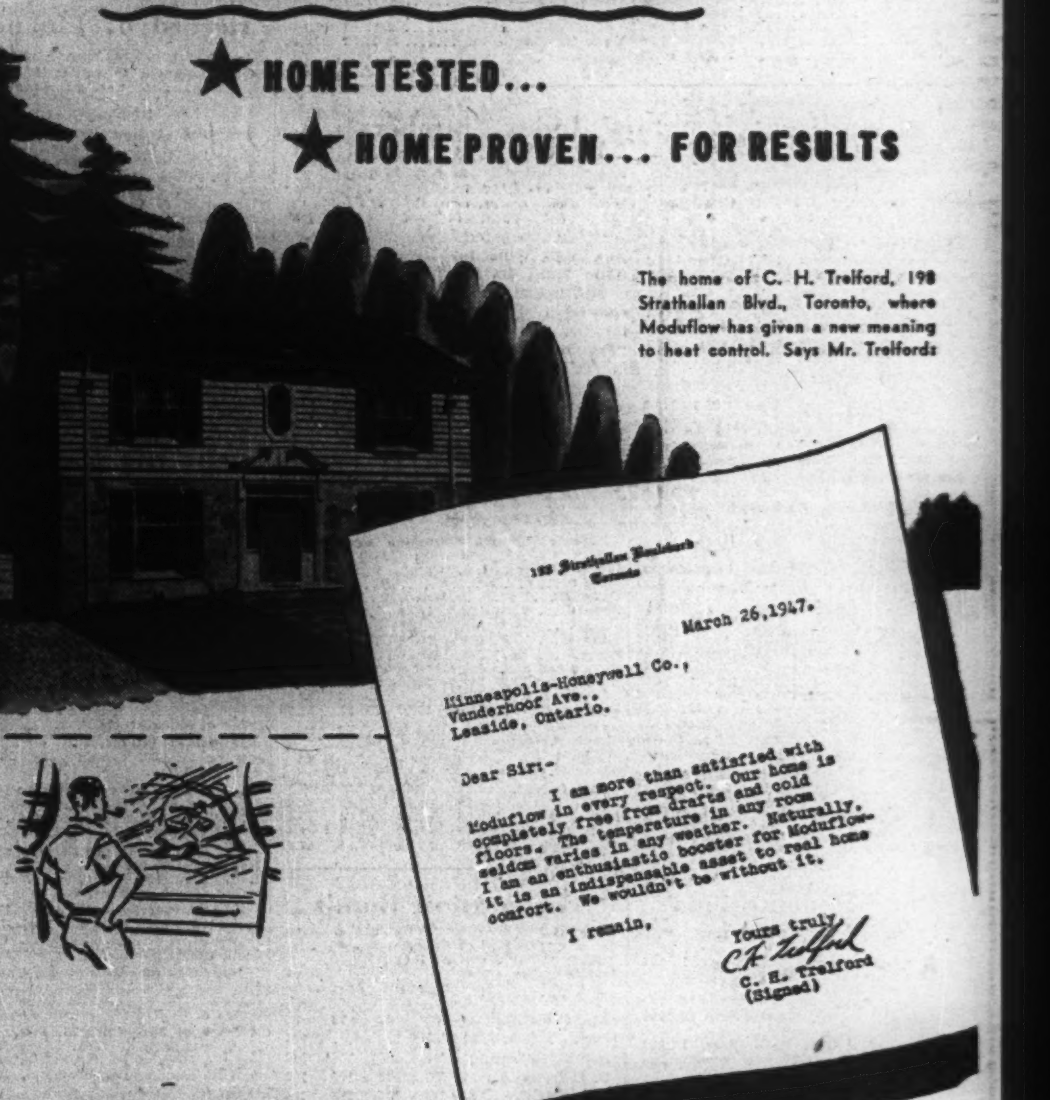

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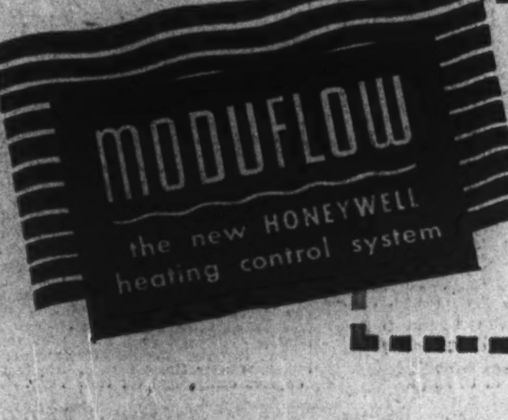

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City........................ Prov. ....

U. S. House Likes Canadian Golds Names Hollinger, Kerr and McIntyre

Merrill, Lynch, Pierce, Fenner & Beane—sprawling, largest in the world, U.S. brokerage firm, familiarly known as "We the People"—has issued an eight-page brochure drawing the attention of clients to gold stocks as "attractive hedges against the anticipated levelling-off or decline of the general price level."

"We The People" selects four companies as "relatively the most attractive of the leading United States and Canadian gold operation."

Three of them are Canadian: Hollinger Consolidated, Kerr-Addison and McIntyre-Porcupine. The fourth is Homestake Mining Co., big U.S. Precambrian producer in the Black Hills of Dakota which turned out slightly more gold than Hollinger last year.

Reflects New Trend

As exclusively reported in The Financial Post that New York had suddenly become a heavy buyer of Canadian gold stocks, reversing its role of a seller of all Canadian stocks for months previously, the Merrill-Lynch brochure probably better than anything else to date, makes public the reasons why buying of senior golds from the United States is reviving the Canadian gold mining market.

This is summarized at one point as follows.

"We believe that the long downward trend of Canadian and United States gold stock prices as measured against our index of industrial stocks listed on the New York Stock Exchange, may be reversed. The major reasons for this should be the anticipated levelling off or decline of the general price level and the possibility of an eventual adjustment of the unrealistic appraisal of the purchasing power of some paper currencies. Selection of leading gold equities should for the time being, be limited to companies which have a proven production record and are in a favorable position in regards to reserves and—in the case of the older properties—are engaged in promising outside ventures which may provide opportunities for strengthening and prolonging earning power."

Merrill Lynch works out the stock price index ratio of five gold stocks in relation to 435 industrial stocks as compared with the position early in 1940. Its conclusion is that the gold stocks are about 45% below their early 1940 level.

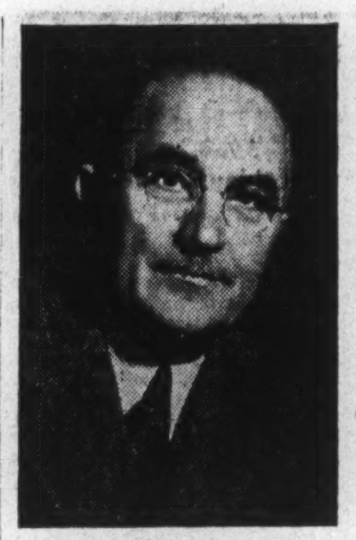
Reference is made to the Canadian foreign exchange situation but no conclusion is drawn as to the possibility of a discount on the Canadian dollar arising again.

"Although it enjoyed a favorable balance of trade for many years, Canada needs considerable amounts of dollars to pay for imports from the United States. Its largest export business is done with British Empire nations against payment in sterling currency which has not been easily convertible into dollars since 1939. Nevertheless, Canadian producers have had to contend with increasing problems arising from monetary costs, labor and equipment shortages and the reduction of the gold price from $38.50 (Canadian) to $35 (Canadian when the country's currency was put on a par with the American dollar in July, 1946."

Favors Canada

The Dominion of Canada is the only area in which Merrill-Lynch is prepared to consider gold mining investments other than the United States. It says:

"The leading producing areas . . . indicate that American investors are best served by the opportunities presented by companies operating in the United States and the Dominion of Canada. Risks due to political and currency exchange considerations should preclude appeal to the average investor of the other major producing areas."



GARNET T. DICKSON

Manager of Customs and Purchasing for the Goodyear Tire & Rubber Co. of Canada, has been elected president of the National Association of Purchasing Agents.

Chimo Makes Plans For Shaft Sinking

Exactly one year after making first major intersection in diamond drilling its Louvicourt-Pershing property, Chimo Gold Mines announces plans to proceed immediately with shaft sinking. Drill hole No. 45, just completed, returned 10 ft. of core averaging $8.69 at 679 to 689 ft., including a 2½-ft. section running $16.25.

Extensive diamond drilling so far is reported to have indicated the mineralized zone for a length of 700 ft. across varying widths of 20 to 60 ft., with values persisting over the entire width. A joint hole put down on the southeast boundary with Orcour Gold Mines returned $132.65 over 1.6 ft.

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FINANCIAL POSITION
DECEMBER 31, 1946

Assets
17,994,389

Liabilities to the Public
$12,158,563

Capital
$1,400,000

Surplus above Capital
$4,435,825

Losses paid since organization
$148,244,095

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KIRKLAND GOLDEN GATE MINES has received payment for 14,000 shares at 30 cents with balance of option terminated by mutual consent. Subject to an increase in authorized capital to four million shares, Junior Golds Securities has underwritten 400,000 shares of Kirkland Golden Gate, payable $25,000 cash, $12,500 by July 4 and $12,500 by Aug. 4. An option has been granted on balance in blocks of 200,000 shares at 15 cents to 30 cents, commencing Sept. 4.

KELWREN GOLD MINES June 1 instalment on 20,000 shares at 22½ cents and 40,000 shares at 30 cents has been paid.

ALGER GOLD MINES June 1 option installment and each subsequent installment have been extended for one month.

NEW MARLON GOLD MINES June 1 installment covering 33,000 shares at 40 cents has been paid.

EL SOL GOLD MINES has received payment for June 1 underwriting of $5,000, together with $8,750 to apply on July 1 installment.

HOSCO GOLD MINES has received payment for June 1 installment of $22,000.

OIL PRODUCTION

Set Drill Record At Lloydminster

From Our Own Correspondent

CALGARY—A new completions record for the Lloydminster-Lone Rock oil area was set in May, when 21 wells completed drilling, including 19 indicated oil wells and two failures. Previous record was set in April, when 14 wells were completed (12 indicated oil wells, two failures). For the five months' period Jan. 1 to May 31, 1947, a total of 48 wells completed drilling. Of these, 43 were indicated successes, five were dry holes.

During the full year 1946 (previous record year for this area), 58 wells completed drilling, of which 53 were indicated oil wells, one was a gas well, and four were dry holes.

With wells completing drilling in from three to seven days, a lag between completion of drilling and placing on production, continues. However, between Jan. 1 and May 31, 28 new wells were placed in production (including some wells which completed drilling in 1946 and a number of those drilled in 1947). May set another record, with 13 wells being placed on production during the month. Previous record was April, when eight new wells went on production.

* * *

New Leduc Wells Staked

Imperial Oil has staked sites for its Imperial-Leduc Nos. 7 and 8 wells, and boosted number of contract rigs working for it in the Leduc field to four. Imperial has an additional four rigs of its own engaged in wild-catting in the general Leduc region.

The new sites are: Imperial-Leduc No. 7, quarter of a mile east of the Imperial No. 2 oil well, the most southerly and lowest structurally of the company's four successes in this field. Contractor is Drilling Contractors, which is moving in a second rig for the job. (This contractor drilled No. 4 well, is moving rig from that well to Imperial No. 6, quarter of a mile north).

Imperial-Leduc No. 8, is located a quarter of a mile south of Imperial No. 3 oil well, most northerly and highest logging producer in the field. Contract has been let to Young Drilling Co. (owned by Calmont Oils and Jean Young), which is now moving in a power rig.

* * *

Bank Finances Lloydminster

Reflecting the growth of Lloydminster from a "shoestring operation" to an established oilfield, a Canadian chartered bank has entered into an arrangement with one of the more active Lloydminster producing and development companies providing "bank financing" of that company's continuing development.

Bank advances, secured by anticipated recovery from producing oil wells, are common practice in the United States petroleum industry. The method was adopted by several Canadian banks for the Turner Valley field, following the emergence of that field as a major oil producer in 1936. Until now, Lloydminster had not sufficiently advanced to be regarded as a good banking risk except for comparatively small loans given for casing or production equipment purchase. Today's announcement reflects the substantially more solid standing of that field and its more efficient and successful developers, would appear to mark beginning of a new policy by Canadian banks regarding this expanding source of heavy crude.

Recipient of Lloydminster's first "bank financing" is Superior Oils. In line with banking practice, the chartered bank does not wish its name disclosed.

* * *

Terms of Deal

The arrangement, in brief, is this: the bank is advancing $30,000, secured by and repayable from production of Superior Nos. 1, 2 and 3 oil wells at Lloydminster; the bank advances an additional $12,000 for each successful subsequent completion, secured by and repayable from production of such subsequent wells plus production from the previous completions.

To date, Superior has completed seven wells, and expects to complete its eighth in the coming week. Superior's current wells are located on a 160-acre lease in the Blackfoot section of Lloydminster. Twenty-acre spacing pattern is being followed, with eight wells on the quarter. After completion of No. 8 well, the company plans to push development of other proven and semiproven acreage in which it is interested in the area.

COMPANY REPORTS

NIPISSING MINING CO. net loss was $3,106 in 1946, after writing off outside exploration of $33,868 as against a net profit of $53,982 in 1945. Market value of investments (see balance sheet below) totalled $1,455,000. Shareholdings in Consolidated Beattie Gold Mines dropped from 1,501,678 shares at Dec. 31, 1945, to 1,337,762 shares.

Diamond drilling was continued on two of the company's groups of claims in Beattie-Rouyn area. Nothing of economic importance was secured on the Duparquet group, but further drilling is warranted on the Destor twp. holdings. Work was discontinued on oil and gas operations at Piceance Creek, Colorado, after a dry well was completed at depth of 12,000 ft. in 1946. There was no change in status of the Picacho gold property.

Participation interests in several exploration and development companies and syndicates in Quebec and elsewhere produced no favorable results during the year. A 6 2-3% interest was taken in shares of Guayana Mines, Venezuela. Advances to Consolidated Beattie Mines were liquidated through reorganization of that company in 1946.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Gr. val. Nip. recov. ..	......	$12,289
Less: Oper., etc., exp.	$31,866	37,761
Taxes	......	12,500
Oper. loss	31,866	37,972
Less: Bond interest ..	35,736	50,878
Int. & exch. (net) .	x5,952	1,608
Inv., etc., sold	32,844	36,701
Add: Outside exp.	33,868	7,233
Net profit	x3,106	43,982
Less: Divds. pd.	10,000	70,000
Deficit for year	13,106	26,018
xLoss.		
Earnings per Share ...	d$1.24	$17.59
Paid	4.00	28.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & ores	$111,745	$143,454
Accts. rec.	......	531
Accr. bond int.	5,625	11,250
Total curr. assets ..	117,370	155,235
Prep. exp.	23	18
Picacho prop.	200,000	200,000
Govt. & ind. bds.	750,000	1,448,469
Invest.x:		
Cons. Beattie G.M..	904,280	2,137,154
Frobisher Explor. ..	73,920	225,750
Steep Rock Iron ...	1	43,800
Bevcourt G. M.	36,337	214,296
Giant Y'knife	14,637	......
Wekusko Cons.	20,888	......
Adv. to Beatt. G.M. .,	......	271,216
Sund. shs. & adv.	200,884	167,308
Claims & props.	1	1
Total assets	2,318,341	4,863,247
Accts., etc., pay.	25	27,396
Conting. res.	150,000	150,000
Res. for taxes	14,534	24,178
Total curr. liab.	164,559	201,574
Special res.	900,000	......
Invest. res.	......	2,494,785
Capital stock	250,000	250,000
Surplus	1,003,782	1,916,888
Deficit work. capital*.	47,189	46,339

xMarket val. in 1946; cost, less amts. w/o in 1945.

*Not including invests.

NIPISSING MINES CO. net profits dropped from $60,989 to $2,209 in 1946, as $60,000 less in dividends was received from its subsidiary, Nipissing Mining Co., during year. President Thayer Lindsley expressed regret that company could not favorably consider payment of a dividend in 1946.

In view of heavy financial assistance given Consolidated Beattie Gold Mines during the year and the uncertainties regarding the immediate future of that company, it was deemed in the best interest of all shareholders to conserve the assets of the operating company pending clarification of Nipissing's prospects, Mr. Mindsley added.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Divs. Nip. Mng. Co. .	$10,000	$70,000
Less: Adm. exp.	2,654	2,209
Fees	5,137	6,802
Net profit	2,209	60,989
Less: Dividends	......	60,000
Surplus for year	2,209	989
Earnings per Share ..	$0.002	$0.051
Paid	nil	0.05

BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$27,542	$66,863
Subs. divd. rec.	......	5,000
Stock Nip. Mng. Co.*.	1,253,782	2,166,888
Total assets	1,291,324	2,238,751
Accts., etc., pay.	30,339	66,869
Capital stock*	1,253,782	2,166,888
Surplus	7,203	4,994

*After deducting $3,833,112 in 1945, $4,746,218 in 1946, excess of par value of shs. of Nipissing Mining Co. over book value of net assets.

REGENT OIL COMPANY (CANADA) LIMITED

formerly

GOOD RICH PROPERTIES LIMITED

CHANGE OF NAME

Pursuant to the provisions of the Ontario Companies Act the name of Good Rich Properties Limited has been changed to:

REGENT OIL COMPANY (CANADA) LIMITED

as of the 1st day of May, 1947. Under its new name the Company is carrying on the same business at the same address.

D. HAMILTON-WRIGHT,
Secretary-Treasurer.
Port Credit, Ontario.

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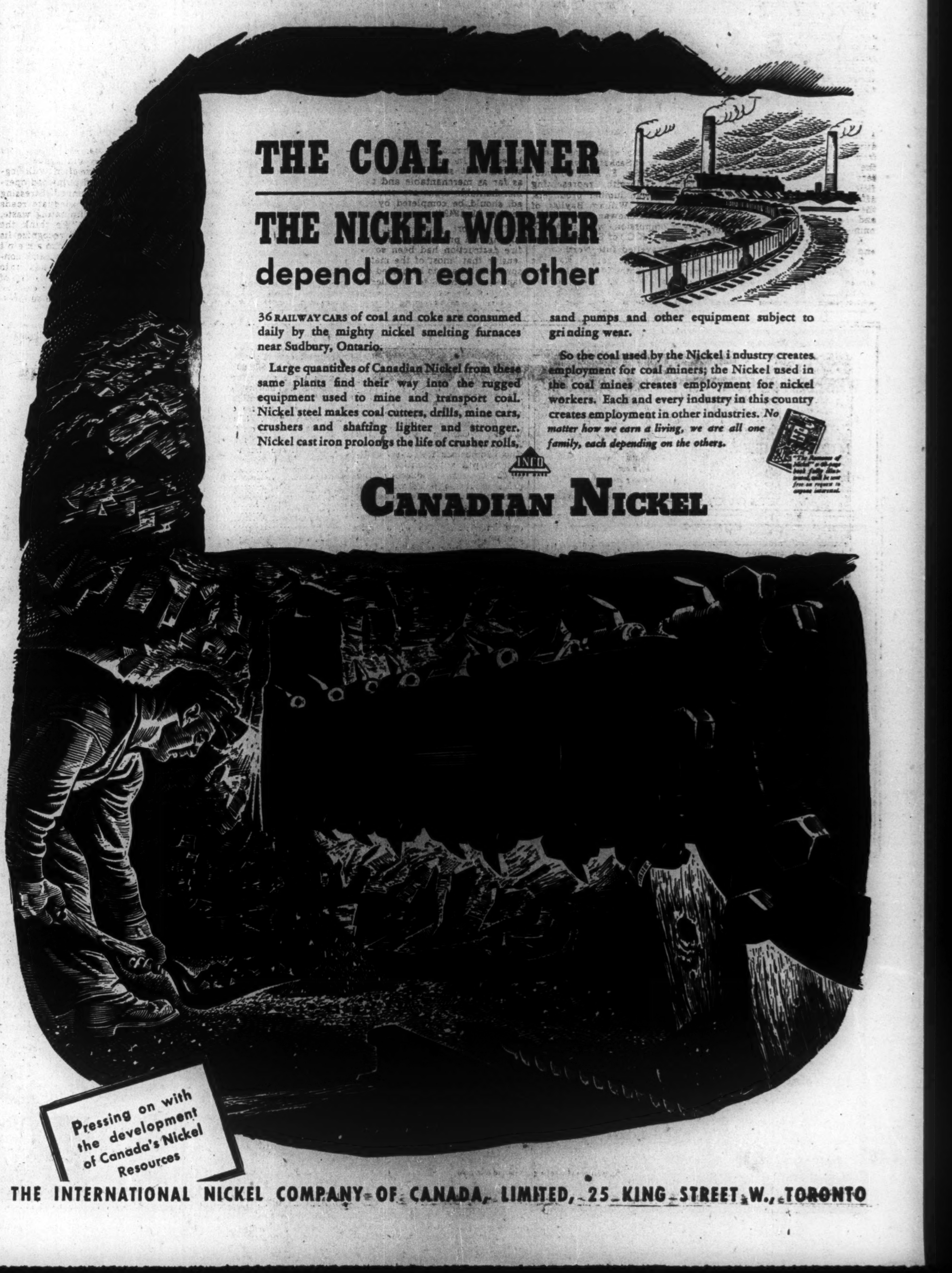

Cochenour on Good Profit Basis Again As Labor Supply Shows Improvement

By GORDON M. GRANT

Transition from postwar difficulties to a highly profitable operating position has been achieved by Cochenour-Willans Gold Mines in recent months and chances appear promising for even further expansion of production and earnings.

Operating profit for the year ended May 31, 1947, reached an estimated total of close to \$340,000 and net profit will likely be around \$260,000 or 9.1 cents a share after write-offs of \$80,000. (Taxes will be negligible due to previous losses). This contrasts sharply with the previous fiscal year ended May 31, 1946, when there was a loss of \$265,416.

Treating 200 Tons

Production is now being maintained at a rate of 200 tons daily compared with 170-175 tons in the year just ended. Operating profits of over \$40,000 a month are now anticipated.

Mine crew totals 120 today against a low of 60 in recent years. Only a limited further addition would permit further expansion in production as mine development is extended, it is believed.

One of the more encouraging developments with respect to Cochenour has been the working out of a treatment for arsenical concentrates which permits a saving of over \$1 a ton through elimination of costly shipment of concentrates to Tacoma, Washington, and treatment there.

At the present time the new "Fluo-Solid" treatment unit of the Dorr Co., is handling nine tons of concentrates a day. It is expected that a capacity tonnage of 15 tons daily will be reached shortly. On basis of concentration ratio of 23 to 1, this makes for production facilities better than 250 tons daily. Further expansion could be secured at nominal cost for grinding and classification equipment.

As results in the year just closed were based on the higher treatment costs, considerably better results can be anticipated, now that the new process has proven itself.

Ore Measure Sizeable

Statistics of ore mined per vertical foot mark Cochenour as one of the larger of the new mines opened up in recent years. A total of 403,000 tons of ore has been mined to date, averaging \$17.25 a ton. Of this, no less than 380,000 tons or 95% has been drawn from above the third or 375-ft. level. As the average stoping height above the first level is 75 ft., 300 ft. of height has provided 380,000 tons of ore, or 1,270 tons per vertical foot. This has been practically all in the main shaft area.

Not only has development to depth proven successful (No. 1 shaft is below 675 ft.) but a number of new ore structures have been indicated for development. A better understanding of the character of ore deposition is also leading to location of substantial tonnages of ore in old abandoned stopes, particularly on the first and second levels. As successive horizons have been opened up, a fairly regular plunge or rake of the ore from east to west has been disclosed, with the main structures occurring on the apices of folding. This has latterly permitted the management to prove lateral and vertical continuity over substantial heights and lengths.

Concentrated on Mine

In recent years the management has sacrificed profits in favor of a long term program to prepare the mine for larger production. This included the sinking of the No. 1 shaft for the opening of three additional levels down to 675 ft. depth and completion of the No. 2 shaft with four levels down to 475 ft. vertical depth. Extensive exploration has been completed in the main and north zones and several new ore structures were disclosed of which the most important are the No. 33 to the east of No. 1 shaft and the new 115 body opened on the first level.

The No. 33 ore body far to the northeast of No. 1 shaft has been indicated for a height of 900 ft. down to the sixth level on its flat westerly plunge. Lengths up to 130 ft. have been disclosed with a width of 7 to 12 ft. carrying 0.65 oz. grade. At 50 ft. below the sixth level, intersections of 1.05 oz. over 9.1 ft., 0.52 oz. over 5 ft. and other values have been secured.

Enter New North Area

The new zone outlined 1,200 ft. north of No. 1 shaft by 14 surface drill holes over an area 450 ft. by 500 ft. has now been reached underground at the first level. A length of 140 ft. in ore is reported, with car sampling of 733 tons returning a grade of 0.477 oz. More extensive development is to be carried out both laterally and at depth in this section, and large additional tonnages are reported in prospect.

On the fourth level, a new ore body, No. 409, has been opened up north of the main ore bodies and south of the 225 and 227 occurrences. Lengths at present total 210 ft. open east and west, with stoping widths of 8 to 10 ft.; a total of 6,411 tons drawn has averaged 0.685 oz. gold per ton.

Goal for the present is a production rate of 400 tons daily. If an adequate crew can be maintained, the property appears to have ample ore resources to prepare the mine for production at a higher rate.

Expectation of the management is that the mine will prove a very efficient producer of gold under normal conditions. With losses in recent years, costs soared well beyond \$35 on a low production volume. But production costs below \$20 an ounce are thought a good possibility with recent developments.

Driving Crosscut At Lapaska Mine

With its shaft completed to 225 ft. together with a 25-ft. sump, Lapaska Mines is now crosscutting southwest towards the area where drilling returned interesting gold values.

When the property was visited by The Financial Post early this week, the crosscut had been extended a distance of 80 ft. from the station with a further 335 ft. to be traversed before the indicated position of the zone is reached. At the present rate of progress, zone will likely be reached in about a month's time, it is stated.

The Lapaska property is located on the easterly extension of the Louvicourt zone, the Lapaska shaft being about 7,000 ft. from the Louvicourt shaft. With the occurrence of gold in numerous "flats" which did not show in surface drilling at Louvicourt, the Lapaska management is hopeful that somewhat similar conditions may be found at Lapaska.

Ventures Goal \$500,000 'Net'

President Lindsley Says New Group Possibilities Are Important

Ventures Ltd. share of earnings in Giant Yellowknife, Connemara, Keno Hill, American Nepheline and Dominion Magnesium, under normal conditions, should exceed \$500,000 per year, President Thayer Lindsley told shareholders at annual meeting. Production possibilities by 1950 of those operations were outlined, with some of the companies said capable of growth far beyond present estimates.

President Lindsley said that Ventures share of earnings of around \$750,000 from Falconbridge, New Calumet, La Luz, Matachewan Consolidated, Lake Dufault and Coniaurum, is not an unreasonable exception under normal conditions.

The Eureka lead-zinc mine in Nevada, the Kilembe copper cobalt mine in Uganda and the Guayana gold mine in Venezuela were three outside developments which President Lindsley thought would become important. Active development is being carried out on the three properties which are reported to show an excellent grade of ore.

Dr. Charles Camsell has been elected a director and W. B. Maxwell a consulting engineer, of the company.

BEAULEAU YELLOWKNIFE MINES balance of June 15 installment has been further amended with the installment being converted into a firm commitment at 25 cents a share, payable forthwith.

New Group Channels Speculative Funds

To channel speculative funds into development of mining properties, Selected Mining Securities has been formed by a group of mining men, R. V. Arntfield, president, announces. The first undertaking of the organization is to be financing of New Arntfield Mines at 35 cents a share with 30 cents a share going to the New Arntfield treasury for development work, Mr. Arntfield adds.

Officers of Selected Mining Securities, in addition to Mr. Arntfield, are Arthur M. Boyd and Donald R. Arntfield. Pennaque Mining Corp. is also associated with the new company.

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Hugh Malartic Mines Gets Lead Prospect

A group of claims approximating 1,000 acres has been acquired by Hugh Malartic Mines in the Mistassini area, Que., The Financial Post is informed. Lead is the principal metal indicated in the general area, but iron, nickel, copper and zinc have also been found.

The new acreage adjoins property of Mistassini Lead Corp., jointly financed by Dome Mines and St. Joseph Lead Co.

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ASSETS OVER \$13,000,000.00

HISTORY OF MANITOBA'S PRINCIPAL GOLD MINE

Snap-shot 3

San Antonio Series

Dividend payments were instituted by San Antonio Gold Mines just three years after incorporation and have been continuous ever since, a total of more than \$5.1 millions having been paid to December 31st, 1946.

Payments made during the five war years, the most difficult in the history of gold mining in Canada, were maintained at their highest rate, averaging 20 cents per share of issued stock.

With the return of the Canadian dollar to parity in 1946, and consequent decrease in income, the dividend rate was reduced in the latter half of that year until such time as a readjustment of mine and mill policy can be effected.

This is the third in a series of snapshots on San Antonio. If you missed the first and second, we shall be pleased to send you copies upon request. As a whole the series will make a very interesting story. Cut this out and watch for No. 4.

NEWKIRK & CO., LIMITED

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100 Adelaide Street West, Toronto

Leduc Consolidated to Drill After \$130,000 Lease Deal

From Our Own Correspondent

CALGARY — When Imperial Oil made its discovery at Leduc in mid-February and precipitated an intense lease play over a wide region, with special emphasis on "close in" freehold rights, one of the most eagerly sought tracts was a half-section of freehold owned by the Charys family, located 1¼ miles east of the discovery well. Offers—and asking price—for the half-section mounted.

In mid-April a deal was finally closed—by a group of independent companies. The price: \$130,000 cash, plus a 15% royalty, probably the highest price ever paid for "unproven" oil rights in Western Canada outside the Turner Valley field. In the weeks since, Imperial's follow-up drilling has put a "potential value" on the lease far in excess of the price that was paid, with that company's No. 3 well clicking five-eighths of a mile north of the lease, and No. 4 getting production five-eighths of a mile southwest.

The first official details of participation, financing and development plans for the choice acreage were announced late last week. Nine independent companies will share in its development through a new company, Leduc Consolidated Oils.

Of Leduc Consolidated Oils three million share capital, 1,150,000 shares have been issued, for which the company receives: (1) the 320 acres, comprising east half of section 23-50-26w4; (2) an initial well, to be drilled immediately on L.S.D. 10 23-50-26w4; (3) another 480 acres six miles northeast, comprising west half of section 35-50-25w4 and northeast quarter of section 35-50-25w4; (4) \$5,000 in cash. Shares were subscribed directly by several backing companies. No bonus or promotion stock has been issued, and no commission has been paid. Shares were called for trading on the Calgary Stock Exchange this week.

Shares have been issued as follows:

Valley Oil Operators	320,000
Mercury Oils	175,000
Royal Canadian Oils	175,000
Gas & Oil Products	125,000
Union Drilling & Devel. Co.	125,000
Turner Valley Oil Co.	80,000
Mill City Petroleums	75,000
Leduc-West Oils	37,500
Globe Oil Co.	37,500

Leduc Consolidated No. 1 well will be drilled in L.S.D. 10, section 23. Drilling contractor, Union Drilling & Development Co., is moving in rotary equipment and expects to get drilling under way in about a week.

INSURANCE SALES LEADER

J. D. MINGAY, D.S.O., M.B.E., C.L.U.

The Prudential Assurance Company Limited of England takes pleasure in announcing that Mr. Mingay has qualified as a member of the 1947 Million Dollar Round Table with personal production in excess of \$1,000,000. Mr. Mingay has recently been appointed Manager of the Toronto (King) Branch of his Company.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

HOWEY GOLD MINES market value of investments amounted to approximately \$2,575,000, or 51.5c. a share at Dec. 31, 1946. Higher geenral expenses and outside exploration costs lowered profits from \$17,532 a year before, to \$8,383.

A large number of properties were investigated. Two prospects in the east Porcupine and three properties in the Noranda area were examined, but results did not warrant further expenditures.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Gold recov. less exp.	\$1,184	\$1,281
Dividends	36,181	35,540
Misc. income	7,421	7,199
Total income	44,786	44,020
Less: Gen. exp. & outside explor.	36,403	26,488
Net prof. & surp.	8,383	17,532
Earned per Share	\$0.0017	\$0.0035
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	\$128,227	\$134,204
Mkt. securities*	1,765,478	1,752,137
Accounts rec.	1,443	3,710
Mat. & supplies	7,871	7,935
Total curr. assets	1,903,019	1,897,986
Other mng. invest.	12,218	8,891
Mining claims	1	1
Plant & equip.	1	1
Total assets	1,915,239	1,906,879
Accts., etc., pay.	471	1,218
Divds. pay. & uncl.	5,498	5,742
Total curr. liab.	5,969	6,960
Conting. res.	......	5,000
Capital stock	5,000,000	5,000,000
Less: Properties†	3,275,444	3,275,444
Surplus	184,714	170,363
*Market val.	2,426,425	3,222,308
†Nonproductive.		
Working capital	1,897,050	1,891,026

MADSEN RED LAKE GOLD MINES ore reserves increased 490,690 tons to 1,287,980 tons and net profits jumped 63.6% to \$156,276 in year ended Feb. 28, 1947. With nine years' ore on the basis of present mill capacity, the company has reached a point where an increase in mill facilities must be considered, President Jos. McDonough states.

Having regard, however, to the fact that the obtaining of equipment and supplies at reasonable cost for any expansion program is difficult, directors have decided to concentrate for the present on examining other sections of the mine, Mr. McDonough adds.

Development work was 51% greater than the previous year. Despite the fact that this work was completed in a period of rising prices and within the framework of a 10c. per hr. wage increase, costs were reduced by \$1.17 per ton. New ore developed came almost entirely from below the 1,100 ft. level. The four lower levels, in the past two fiscal years, have disclosed a total average of approximately 1,500 tons per vertical foot and east drift on 11th level, in particular, still has a considerable length of interesting ground ahead. There are several other sections, especially near the large diorite dike which angles down through the mine, in which diamond drill holes have shown ore values.

INCOME ACCOUNT

Years Ended Feb. 28:	1947	1946
Gold output	\$1,111,030	\$979,525
Silver output	5,798	2,408
Total output	1,116,828	981,933
Less: Mkt. chgs.	11,782	12,742
Net production	1,105,046	969,191
Less: Oper. exps.	823,363	734,349
Oper. profit	281,683	234,842
Add: Int. earned	22,457	29,672
Less: Deprec.	90,530	86,966
Pre-prod. exp.	26,952	43,512
Out. explor. w/o	4,382	......
Prov. for taxes	26,000	38,500
Net profit	156,276	95,536
Less: Dividends	279,962	279,962
Deficit for year	123,686	184,426
Earnings per Share	\$0.045	\$0.027
Paid	0.08	0.08

CONDENSED BALANCE SHEET

As at Feb. 28:	1947	1946
Cash & bullion	\$249,060	\$234,930
Investments*	617,851	767,705
Accts. rec.	23,449	18,592
Mat. & supplies	293,705	281,401
Total curr. assets	1,184,065	1,302,628
Bd. dep. re power	12,805	10,805
Def. & prep. chgs.	113,010	87,790
Def. development	63,032	85,953
Mining props.	1,278,344	1,282,725
Plant & equip.▲	428,436	448,008
Total assets	3,079,692	3,217,909
Accts., etc., pay.	62,878	76,397
Income tax res.	5,551	13,500
Total curr. liab.	68,429	89,897
Capital stock	2,109,367	2,109,367
Earned surplus	901,896	1,018,645
▲After depr. of	641,417	550,887
*Market value	674,876	840,932
Working capital	1,115,636	1,212,731

OPERATING STATISTICS

	1947	1946
Tons milled	130,258	98,472
Average recov.	\$8.57	\$9.97
Ore reserves, tons	1,287,980	797,290
Grade (\$35 gold)	\$7.56	\$7.11

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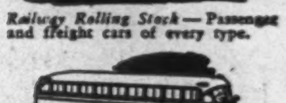

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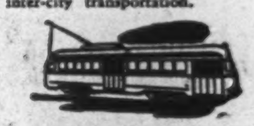

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East Sullivan Ore Still Expanding As Work Progresses Further East

Ore is being disclosed in underground work at East Sullivan Mines at a rate considerably in excess of expectations based on surface drilling. Work is "wide open" for further expansion of indicated reserves on the basis of impressive ore disclosures just secured proceeding to the east.

In a visit to the property last week-end, The Financial Post found that the big new central ore body is continuing to lengthen out to the east. This ore body, which didn't show up in surface drilling because the drill holes passed over it, now shows 2,646 tons per vertical foot at the 450-ft. level averaging 3.22% copper. Where the full width of the zone has been tested in recent work proceeding to the east, values have been as follows: 2.147% copper over 70 ft., 2.30% copper over 87 ft. and 5.47% copper over a 101-ft. width. True widths are only slightly less than those given.

55 ft. of 7.09% Copper

The last section of 101 ft. averaging 5.47% copper included 55 ft. averaging 7.09% copper and was best north-south width yet secured. The ore body is gradually migrating north as work proceeds east. Further values have been secured in extending the crosscut east but holes have not yet been put out to determine full ore dimensions. After a 50-ft. section of waste, the drive shows a length of 114 ft. averaging 1.46% copper. Testing of the walls to north and south in this section will be of particular interest due to the exceptional values secured in the last place tested. The estimate of 2,646 tons per vertical foot is based on a length of 413 ft. and an average width of 64 ft.

The central zone represents the most important outlining of ore to take place so far on the bottom or 450-ft. level. The west ore body (532 ft. by 57 ft.) shows 2,001 tons per vertical foot averaging 1.3% copper. Work to the east is just nicely getting into the big east ore, the main one outlined in surface drilling. The limited work so far shows 1,400 tons per vertical foot averaging 1.89% copper.

Get New Body to North

Interesting drill hole values have been secured in what appears to be a new north ore body north of the central ore body. The same occurrence shows up strongly in two further drill holes on the 300-ft. level above.

At the 300-ft. level, the central ore body has not shown as large an ore area as on the level below (there is a short "blank" in one spot) but it is open to the east. The lower tonnage per foot is offset by a somewhat greater tonnage for the west ore body at this level and the impressive indications of a new north ore body.

Dimensions of the west ore body at this horizon are 306 by 99 ft. with a total of 3,017 tons per vertical foot averaging 2.05% copper, 1.65% zinc, 0.032 oz. gold and 0.48 oz. silver. Some very high grade zinc sections (higher than 40%) have been intersected.

Tonnage per vertical foot has not yet been worked out for the central ore body at this level but grade as well as tonnage is lower; actual tonnage has not yet been calculated. Length is about 600-700 ft. and one hole gave 3.52% copper over 70 ft.

Something new has been found next to the central body with values of 3.68% copper over 35 ft., 2.53% copper over 25 ft. and 0.75% copper over 15 ft. secured in drill holes.

East Body 106 ft. Wide

The east ore body at this level so far shows 1,124 tons per vertical foot averaging 2.40% copper plus gold and silver values. Dimensions so far are 106 by 106 ft.

The new north ore body has been intersected in two of the flat holes, 50 ft. apart, put out to the north of the crosscut at the 300-ft. level. The more westerly hole gave a 30-ft. width averaging 3.88% copper, 2.18% zinc and 1.5 oz. silver while the hole to the east gave 20 ft. averaging 1.08% copper and 0.99% zinc.

What appears to be a high grade intersection in the west ore body has been secured in an initial drill hole to the south from the end of the shaft crosscut at the 150-ft. level. Assaying of this had not been completed at the time of The Post's visit.

From the present stage of development, it appears that the over-all ore picture begins to look like 13,000 or 13,500 tons of ore to the vertical foot, suggesting a really large operation. Present expectation is that a concentrator with a capacity of 2,000 tons daily will be erected but based on results so far secured, the ultimate objective of 4,000 or 5,000 tons a day, appears well within the realm of possibility.

Louvicourt Pours Brick First for Postwar Gold

Pouring of a first gold brick at a new gold mine since the end of the last war took place at Louvicourt Goldfield Corp., Bourlamaque area, Que., last Saturday, with many present from Toronto, Montreal and the Val d'Or district.

After the final pouring of a brick worth about $30,000 and a blessing of the property by the parish priest of Val d'Or, President Pierre Beauchemin spoke, declaring that there was "plenty of ore" for the mill and that the mine would continue to operate for a long time to come.

Speakers included Jonathan Robinson and A. O. Dufresne, Minister and Deputy Minister of Mines for Quebec, respectively; John Proctor, manager, main office of the Imperial Bank, Montreal.

Treating 300 Tons

Tuning up of the Louvicourt mill started in mid-April and the mill is currently treating about 300 tons of ore daily. Much of the mill feed is still being drawn from development headings or raises or from the surface dump. Grade of ore milled is thus believed below mine average. On a two-day trial of mine ore alone, grade jumped to slightly in excess of $8 a ton, it is reported. A grade of $7 or $8 a ton is reported likely for a mine average.

While the mill is believed to be good for 400 to 500 tons a day without addition of extra equipment, it is not expected that tonnage will be moved up close to capacity until loading pockets have been cut in the shaft and skips installed. This will be finished and an idle compartment in the shaft will be placed in operation by July, it is thought. The shaft is of four-compartment size.

Primary crushing capacity is in excess of 2,000 tons a day and it is believed that later on tonnage could be stepped up to 1,200 tons a day by replacing a Hardinge ball mill with two additional Allis-Chalmers ball mills.

Ore is being drawn from the first three levels underground, the great part of this ore coming from the second level. Draw points on the second level have tended to reduce grade but slashing along an east drift at the first level is stated to have given a very good grade. On the third level a new ore body is stated to have been added to the two previously located in work to the west. Work at depth has been limited so far with no exploration yet at the bottom level. Two holes have been fanned out at the 625-ft. horizon.

Shaft at North Inca Starts End of Month

Sinking of the three-compartment shaft to depth of 325 ft. is expected to get under way at end of month on Indin Lake property of North Inca Gold Mines, The Financial Post is advised. Construction of permanent camps and roads is being carried out, and plant and material for shaft collaring and headframe erection are now on the property.

Underground development calls for opening levels at 175 and 300 ft., carrying out lateral exploration of the "A" zone and the Main shear zone. Surface diamond drilling of these two zones gave ore indications as follows: A zone comprises three ore shoots totalling 690 ft., above 250-ft. horizon, grading 0.54 oz. (uncut) across 2.5 ft. Main shear zone shows a length of 600 ft. grading 0.96 oz. (uncut) or 0.484 oz. (cut) over 3.2 ft.

CANADIAN BREWERIES LTD. has withdrawn its registration statement with the U. S. Securities & Exchange Commission covering 200,000 no par value common shares, it is reported. Unfavourable market conditions were given as the reason for the withdrawal. The company had proposed to offer the security to its common stockholders.

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MINING CONCENTRATES

KAYRAND MINING & DEVELOPMENT CO. mapped and prospected the 500 acres staked in Dalquier twp., Que., in 1946. The property was later abandoned. An option was secured on 1,600 acres adjoining the original Dalquier twp. group. A magnetometer survey was undertaken on the new acreage. Six drill holes had been completed to May 1, 1947, on claims held in Louvicourt twp., Que. Several interesting sections were intersected, but no commercial values encountered. A group of 25 claims was secured in Barlow twp., Chibougamau area, Que. Surface work is planned this year. Current assets were $13,397 and liabilities $750 at Dec. 31.

• • •

NEW MARLON GOLD MINES advises that drifting in 101 south drift has returned a length of 141.5 ft. averaging $14 across 5.7 ft. Face assays from last seven rounds in the drift returned as follows: $15.22 over 5.5 ft.; $22.54 over 7 ft.; $20.89 across 7 ft.; $11.79 over 8 ft.; $45.81 across 4.5 ft.; $26.35 over 4.5 ft. and $40.53 across 5 ft. Drifting in 301 south drift has returned a length of 163.5 ft. averaging $11.20 across 5.4 ft. Last six rounds taken from the drift gave the following assays: $14.70 over 5 ft.; $8.61 across 5.5 ft.; $10.25 over 6.5 ft.; $4.30 across 7.5 ft.; $52.60 across 6.5 ft. and $11.48 over 9.5 ft. Drift length on 350-ft. level is 280 ft. averaging $16.48 across 5.8 ft. and 295.5 ft. averaging $11.44 across 5.7 ft. on 450-ft. level.

• • •

PACKARD PERSHING MINES completed 1,147 ft. of diamond drilling on its Pershing twp., Que., property in 1946. Both holes completed intersected the iron formation, and one quartz vein mineralized with pyrite was encountered in hole No. 1. A few samples of drill core mineralized with pyrrhotite and pyrite returned assays up to 0.03 oz., but no intersections approaching commercial grade were encountered. Further drilling is planned this year. Current assets were $6,270 and liabilities $300 at Dec. 31.

• • •

SPINET GOLD MINES says that south zone was intersected at a vertical depth of 500 ft. in hole 27A drilled on property some 18 miles north of Indin Lake, N.W.T. Values were generally low, the best section assaying 0.10 oz. over 3 ft., but the intense quartz-sericite shearing intersected indicated the structure continuing strong to this depth. Exploratory drilling along the Gamble dyke zone was concentrated on a water-covered portion between 1,000 and 1,800 ft. east of the south zone oreshoot in order to take advantage of the ice for drill setups. A gap of 800 ft., thus far tested in only one hole, remains to be tested later from land. In area drilled from the ice, the following results were secured in three holes at 400-ft. centres: Hole 29, 0.08 oz. across 1.6 ft.; hole 30, 0.23 oz. over 3.5 ft.; hole 32, 0.39 oz. across 2 ft., 0.10 oz. across 6 ft. and 0.42 oz. over 4 ft.

Buffadison Ore Opens Up Well

No. 2 Vein Gives $14 a Ton Grade in Underground Drifting

Ore in the No. 2 vein of the main south ore system was continuing to open up well in east-west drifting at the fourth or 660-ft. level of Buffadison Gold Mines, Louvicourt twp., Que., when The Financial Post visited the property early this week.

Average value of 184 tons of mucks covering 42 ft. of drifting completed was 0.40 oz. while average value of the actual vein section itself probably ran higher, considering that part of the muck would be waste.

See Vein Lengthened

A drill hole 180 ft. farther west has provided an excellent showing of quartz suggesting a lengthening of the vein to over 220 ft. The core had not been split for assay when The Post called.

The vein itself is a 3-ft. wide quartz tourmaline showing and typical early assays have run: $41.30 over 3.5 ft. and $60.20 over 5 ft.

Ore values came in 200 ft. before the first ounce drill hole to the east. There is a main length of 800 ft. indicated ahead averaging $21.70 over 3.4 ft. from surface drilling.

At the fifth level above, the crosscut has been driven north 676.5 ft. and from the appearance of the face and the location, it appeared that work was entering the westerly projection of the Bevcourt or Buffadison north structure. There is a north-south distance of about 300 ft. between the syenite porphyry and the feldspar porphyry which it is expected will make excellent prospecting ground for vertical drill holes seeking flats of the Bevcourt and Louvicourt type which appear to be characteristic of the country.

Work has advanced to the stage where it is expected ore news will be made rapidly in both the north and south ore structures and by the underground diamond drilling it is proposed to complete.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

MONETA PORCUPINE MINES increased operating expenses, resulting from a jump in outside exploration charges, accounted mainly for higher net loss of $86,977 in 1946. A total of 84 properties was submitted for consideration, of which 65 were examined either as a result of submissions or on field information.

Moneta participated with several other companies in financing drilling on property of Lennie Gold Mines, but no commercial values were encountered. No results of economic importance were secured on joint work with Mining Corp. on property in Garrison twp., Ont. Several ore intersections were secured in drilling Bazooka Gold Mines. Drilling was carried out and is still continuing on an optioned group in Michaud twp., Ont. Moneta obtained interests in Wejack Mines and Roybar Chibougamau Mines.

Application has been made to surrender charter of Leta Explorations, a joint subsidiary.

INCOME ACCOUNT

Years Ended Mar. 31:	1947	1946
Oper. exp.	$120,939	$88,988
Less: Invest. inc.	33,962	37,469
Net loss	86,977	51,519
Add: Dividends	50,877	50,877
Deficit for year	137,854	102,396
Earned per share	d$0.054	d$0.020
Paid	0.02	0.02

CONDENSED BALANCE SHEET

As at Mar. 31:	1947	1946
Cash	$300,983	$181,850
Accts. rec.	18,691	1,379
Bonds & stocks*	663,126	838,857
Mat. & supplies	4,372	4,397
Total curr. assets	987,172	1,026,488
Prop. & def. chgs.	543	......
Inv. assoc. cos.	486,940	441,100
Properties	1,010,432	1,030,306
Plant & equip.▲	36,199	85,252
Total assets	2,521,286	2,583,141
Accts. & tax. pay.	4,691	4,705
Divds., etc., pay.	4,107	5,115
Total curr. liab.	8,798	9,820
Capital stock	1,686,969	1,686,969
Capital surplus	362,947	285,726
Earned surplus	462,572	600,626
▲After depr. of	355,592	355,592
*Market value	805,183	968,558
Working capital	978,374	1,016,668

DOMINION COAL CO. 1946 net profit was up 13%. Additions to the property and plant account were $725,341 with disposals of $1,116,351. Capital liabilities were reduced in accordance with sinking fund requirements. Sales of coal from company collieries amounted to 3,114,002 gross tons (3,594,533 in 1945). During the year 3,084,679 gross tons were mined from company collieries.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net oper. loss	$5,190,520	$4,502,649
Misc. inc.*	7,529,417	6,924,242
Net earnings	2,338,897	2,421,593
Less: Deprec.	1,308,272	1,318,735
Bond interest	181,483	206,044
Interest of bk. loan	184,848	292,012
Inc. taxes	83,824	91,984
Net profit	580,470	512,818
Less: Pref. divds.	722,525	......
Deficit for year	142,055	▲512,818

*Includes gov't assistance.
▲Surplus.

Times Bond Interest Earned:		
Before deprec.	11.87	10.34
After deprec.	4.66	3.94
Earnings per Share and Dividend Record:		
Pref.: Earned	$2.71	$2.39
Paid	1.12+*2.25	nil
Com.: Earned	0.54	0.40
None paid.		

*Arrears.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$500,493	$440,350
Investments	61,450	354,800
Accts., etc., rec.	10,335,780	9,332,526
Inventories	3,084,725	2,406,808
Total curr. assets	13,982,448	12,534,484
Emp. V. bonds	737,295	1,873,417
Misc. assets	976,677	792,435
Fixed assets*	20,032,824	21,304,212
Total assets	35,729,244	36,504,548
Bank loans	6,000,000	5,000,000
Accts. & tax. pay.	2,054,838	2,170,847
Other curr. liab.	122,139	48,531
Total curr. liab.	8,176,977	7,219,378
Emp. V. bonds	737,295	1,873,416
Funded debt	3,813,000	4,355,500
Reserves	3,637,345	3,569,573
Capital stock	17,359,975	17,359,975
Surplus	1,984,652	2,126,706
*After depr. of	27,236,313	27,134,929
Working capital	5,805,471	5,315,106

Oil Field Surface Rights Prove Bone of Contention

From Our Own Correspondent

SASKATOON—Talks which began at Lloydminster recently may have much to do with the future of the Lloydminster-Lone Rock oil fields.

Oil well operators and farmers got together to discuss the question of surface rights and the amount that the farmers should receive for any damage that might result from drilling operations on their lands.

For the most part farmers were faced with two major questions. One was soil destruction that would be caused by wells. The other was the amount of cash payment from oil well operators.

Farmers "Up" Demands

Up to now farmers have been paid $50 to $75 a year by the companies for each well on their land. Recently they asked for an increase.

The executive of the Lloydminster Surface Rights Association of Saskatchewan told Natural Resources Minister Joe Phelps they wanted $150 for the first year for the first well on each sub-division and $100 a year as long as the well produced. They also wanted $100 for each year for each of the other wells on a subdivision and $50 a year for every 660 ft. of road built on their land. Another demand was that the compensation be for at least 12 years but if the first well drilled proved to be dry the farmer would receive a flat sum of $150. If the well was a producer but went out of production within seven years payment would be $500.

This would mean that a farmer with 16 wells on a quarter section would receive about $3,000 a year. A farmer with a half section of land and with the maximum number of oil wells permitted would be paid a least $4,800.

Oil well operators felt that the demands were too great. They pointed out that an oil well took only two acres of land and what the farmers were asking was far more than they would make farming.

In a counter proposal the oil well operators offered $100 per well for the first year and $75 per well for each year thereafter without any allowance for road rental and without guarantee for any number of years.

No proposal was acceptable to the farmers without a guarantee and the only progress made was the formation of a continuing committee of farmer and operator representatives in an effort to work out a satisfactory agreement.

Progress in the development of the field hinges on the success of the negotiations. If farmers don't get what they want they could refuse to allow oil men the right to enter onto their land. On the other hand if oil men feel they will have to pay too much they might take their capital elsewhere.

If the two parties can't get together the Saskatchewan Government may lay down rules to achieve a settlement.

More Sodium Sulphate Is Saskatchewan Plan

From Our Own Correspondent

REGINA—Capacity of the Saskatchewan Government's sodium sulphate reservoirs at Chaplin Lake, 60 miles west of Moose Jaw, is to be stepped up from 50,000 to 80,000 tons this year to meet mounting demands for the mineral. The plant is operated by Saskatchewan Minerals, a provincial crown corporation.

The chief use of sodium sulphate is in the manufacture of kraft paper, the salt imparting strength and flexibility to the paper. Capacity of the kraft paper industry has been increased 75% in the past few years.

the important 4/5ths of your drink

It's true—four fifths of a long drink is mixer! To make the best drinks you'll need the best mixer—Canada Dry Sparkling Water! Its scientific formula points up flavor . . . and right down to the last sip there's still a host of gay, tiny bubbles, thanks to famous Pin Point Carbonation. For new life in your drinks buy a few bottles of Canada Dry Sparkling Water today—serve well chilled.

CANADA DRY Sparkling WATER

SW-66

CANADA DRY GINGER ALE, INC., and its subsidiaries reports a net income for the six months ending Mar. 31, 1947, of $795,209, compared with $746,014 in the corresponding period of the previous year. This is equivalent, after preferred stock dividend requirements, to $0.36 per common share, compared with $0.35 last year. Net sales were $19,004,879, an increase from $16,208,709 a year ago.

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Subject to prior sale or withdrawal, War Assets Corporation will have on display at Warehouse No. 4, Scarboro, surplus materials as listed in part below. Goods will be arranged in suitably sized lots. Items of major equipment will be offered singly.

Offers will be received during the period of inspection, or may be forwarded to the Branch Sales Office at the address shown in the "Terms and Conditions" printed below.

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Machine Tool Equipment

ABRASIVES: Oil stones, Abrasive powder, Cloth discs, Wire and cloth polishing wheels, Emery wheel and Diamond dressers.
MILLING CUTTERS: Angle, Concave, Convex, Interlocking, Sidex Milling, etc.
PUNCHES & DIES: Die sets, Steel stamps, Gasket cutters.
ARBORS & MANDRELS: Spacers, Adapters, etc.
TAPS: Hand, Pipe.
BITS: High speed. Boring bars, Broaches, Carboloy tips, Counterbores, Countersinks, Collets, Dies, Thread chasers, Tool holders, Wood tools.
GAUGES: Caliper, Micrometers, Drill gauges, Feeler and Indicator gauges, Plug and Plumb gauges, Parallel rules and Sine bars, Snap ring and Radius gauges, Surface and spline gauges.
HOLDERS: Tool bit, Die, Socket, Reamer and driver.
REAMERS: Straight shank and taper shank.
SAWS: Metal slitting and blades.
DRILLS: Straight shank and taper shank.
CUTTERS: Milling.

Cafeteria Equipment

Stoves, Pots, Pans, Dishes, Spoons, Cleavers, Knives, Jugs, Ladles, Bowls, Potato peelers, Urns, Steam tables, Glassware, Hot plates, etc.

Hospital Supplies

Tables, Cabinets, Gauze, Dressings, Enamelware, Surgical supplies, Sterilizers, etc.

Hand Tools

Screwdriver bits, Calipers, Chisels, "C" clamps, Cutting and hand files, Hacksaws, Hammers, Levels, Mallets, Round nose plyers, Plumb bobs, Punches, Saws, Scrapers, Spanners, Squares, Oilstones, Strippers, Socket wrenches, Nippers, etc.

Hardware

Machine screws, Carriage bolts, Expansion shields, Bronze and monel metal screening, Metal tubing, Wire cloth sieves, Liquid floor and brushing wax, Rubber stoppers, Soapstone stocks, Scales, Weights, Liquid soap, Hand cream, Welding flux, Cellulose acetate tubing, Steel stamps (letters and numbers), Snaps, Eyelets and hooks, Resin, Polishes and cleaners, Paint, Jointing compound, Rubber hose, Hinges, Garment hangers, Liquid glass, Blackboards and easels, Dot Eye fasteners, Fibre rod, Liquid marine glues, Safety goggles, Shields and lenses, Firemen's steel helmets, Liners and chinstraps, Ship lanyards, Wire brushes, Sap cans, Metal boxes, Clay soil pipe, Metal pipe, etc.

Radio and Radar Parts

Cables, Coils, Cores, Crystals, Lugs, Resistors, Switches, Transformers, etc.

HOW TERMS AND CONDITIONS

1. The Corporation shall have the right to accept or reject any or all offers in whole or in part.
2. If an offer is accepted sale will be on an "as is, where is" basis without warranty of any kind except as to the Crown's title and will be subject to the other usual sales conditions of the Corporation.
3. On acceptance of offer purchase price will be payable in full. No trade or quantity discounts will be allowed.
4. Purchasers will be required to take delivery of merchandise sold (or to remove from the premises) at their own expense, within a time limit set by the Corporation.
5. It should be noted that, while the Corporation reserves the right to accept any offers made during the period of display or prior to such period, in general all offers received during the display period and/or before 5 p.m. E.D.S.T. June 27, 1947 will receive equal consideration.
6. Offers must therefore reach the Corporation, at the address shown below, prior to 5 p.m. E.D.S.T. June 27, 1947.
7. Offers should be addressed to:

BRANCH SALES MANAGER
WAR ASSETS CORPORATION
11 JORDAN STREET,
TORONTO, ONT.

Laboratory Supplies

Balances, Bottles, Beakers, Burners, Crucibles, Cylinders, Dishes, Dessicators, Funnels, Graduates, Mortars, Spatulas, etc.

Instruments

Surveying instruments, Telescopes, Thermostats, Veterinary equipment, Electroscopes, Hydrometers, Hygrometers, Oxygen regulators and gauges, Thermometers, Lenses and prisms, Protractors, etc.

Mechanical Supplies

Welding equipment, including goggles, lenses, tips, shields and stands; Monex glass tubing, White talcum powder, Solvents, Rust preventatives, Powder mixing machines, Spray guns, Electroscopes, Beeswax, Borax, etc.

Electrical Equipment

Batteries, Bells, Outlet boxes, Push buttons, Generator brushes, Cables, Clamps, Conduit fibre and fittings, Solenoid and induction coils, Exhaust fans, Lighting fixtures, Fuses and refills, Cable hangers, Strip and bench heaters, Insulators, Floodlight lamps, Lugs, Magnets, Motors, Reflectors, Regulators and rheostats, Relays, Resistors, Switches, Terminals, Transformers, Mazda lamps, etc.

Miscellaneous

Bakelite sheets and tubing, Bulletin boards, Wood transit cases, Chalks and crayons, Ditto supplies, Fire fighting equipment, Inks, Kimpack, Life preservers, Gas masks, Mirrors, Paper cartons, Wrapping paper, Photographic equipment, Pouches, Stirrup pumps, Respirator filters, Stationery supplies, Webbing straps, Bottles, etc.

Furniture and Fixtures

Bedstead springs, Moistureproof barriers, Bins and racks, Shop-made cupboards, Office and foremen's desks, Soap and towel dispensers, Lockers and cabinets, Wood stools, etc.

Automotive Equipment

Battery accessories, Grease guns, Mirrors, Pumps, Tires and tubes, Volt-amp. testers, Tools, Wrenches, etc.

Ships Components

Electric reflectors, Heaters and lamps, Bilge pumps, Valves, etc.

WAR ASSETS CORPORATION

In Chains to Multitude of Masters Government Wonders 'What's Next?'

LONDON—I vowed to keep the British climate out of these notes for a time but like Mr. Dick with King Charles' head, it is no use. Last week was Whitsun week and Monday was a Bank Holiday. Very few people know what Whitsun means or represents nor is there any particular reason why the whole nation should knock off on Monday merely because the Banks close. But it is one of the most popular holidays of the year and the British take it seriously.

But no one has been as concerned as the Clerk of the Weather, who provided us not only with five days of unbroken sunshine but with a midsummer temperature. The ever adaptable Britons who took to skiing during the Arctic freeze last winter, are now taking to the siesta habit like Spaniards.

On Whit Monday I drove to Margate, one of the popular seaside resorts to watch the opening of the annual conference of the Labor Party. I don't remember the English countryside looking so green and radiant. It was such a restful, untroubled scene that a visitor from Mars might well have said: "Let me stay here in this peaceful untroubled country."

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At Margate there were thousands of people in the British fashion crowded together on the beach, for the herd instinct is strong in the Island race. But in the Winter Garden the sweating Labor delegates were hard at it. The Big Boys on the platform kept their sartorial dignity but the rank and file soon discarded both waistcoat and jacket.

The head table, which was covered with a virginal white tablecloth, was an imposing sight reminiscent of one of those early Italian paintings of a saint's supper.

Mr. Noel-Baker was a gentle chairman who struck his bell reluctantly and almost apologetically. On his right was Mr. Attlee, who seemed throughout the day to be trying to establish an alibi, as if he were not there at all. The vast dome of Chancellor Dalton was like that of a monk who is undecided whether to do his orisons or go fishing.

Mr. Aneurin Bevan kept his chin up and never looked to left or right, as if he were sitting to a sculptor, while Mr. Shinwell seemed clothed in armor specially supplied by Communist Horner, the head of the Miners' Union.

Soviet Society Stays in Doghouse

Not everyone spoke into a microphone, and I had some difficulty in learning what the row was about when I had taken my seat with other comrades in the gallery. It appeared, however, that someone wanted the Socialist Party to give its support to the British Soviet Society, which, of course, has nothing to do with the wicked British Communists. But no sooner had the delegate put his case than another opened fire on Russia in all directions. Russia, according to him, had achieved victory by ruthless slaughter (the Germans would agree with him), collective farming was all wrong, and their trade unions were not to be compared with the T.U.C.

"On a point of order!" shouted a man from the back. Mr. Noel-Baker shook his head gently. "You cannot have a point of order in the middle of a speech," he said, thus reversing the hitherto unalterable Parliamentary rule that a point of order can be made at any time and must be given precedence. "Speak into the microphone!" shouted another enthusiast.

A third delegate made a speech, from which I gathered that he came from a centre of Tory reaction, that there was no place in his borough to hold a meeting and that something—I could not tell what—was unscrupulous, untruthful and a menace to our civilisation. The words probably referred to the British Soviet Society, for Mr. Harold Davies, M.P., fairly leaped to the microphone and in a rousing, rip-snorting speech urged the conference to think of the effect that such wild and venomous speeches would have on Russia. That was greeted with prolonged applause, but when the vote came, the British Soviet Society was out.

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Want United Europe But Not à la Churchill

Then Mr. Churchill's United States of Europe came in for some hard pummelling. It seemed that everyone wanted a United States of Europe—but not from Mr. Churchill's hands.

Then up rose the great monk, Hugh Dalton. It appears that one of the speakers was the adopted candidate for Woodford which is Mr. Churchill's constituency and Mr. Dalton wished him victory at the next general election—and then added, with grim facetiousness: "If not earlier in a by-election." That was unfortunate, but perhaps Mr. Dalton was trying to cover up his crime of last week when he spoke of Churchill as an immortal leader of a nation at war.

Cooling to his task, the Chancellor warned the faithful not to touch Mr. Churchill's United States of Europe with a barge pole. Mr. Dalton was given an ovation when he rose, but he sat down to almost complete silence. Those Labor boys are tough.

To wind up the morning. Mr. Walter Nash, the finance minister and deputy Premier of New Zealand produced a torrent of words which praised socialism, and proclaimed the doom of capitalism. By never giving the crowd time to think, he scored a great success.

So we streamed out to the sunlit streets where crowds were gathered to see the great men emerge. Sir Stafford Cripps, looking like a tall edition of Gandhi, walked away by himself. So did Aneurin Bevan. Hugh Dalton's voice boomed above the din and Mr. Attlee was applauded as he dived into a car like a man who does not want to be recognized by the police. On the sands the multitude waited for the sea to come back. Someone handed me a pamphlet. It was an appeal for fair play, from the Moslem League.

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Government Under Fire But Conscription Okayed

Refreshed by luncheon, we resumed our seats for the afternoon session, and it was swiftly made obvious that the matinee was going to be a lively one. Conscription was the issue and in no time the oratory was at full flood.

The diminutive Mr. Silverman knocked the Government all round the ring, but the great success was scored by that fiery 70-year-old pacifist, Mr. Rhys Davies, who fairly brought the crowd to their feet. As he made his way back from the rostrum, dozens of delegates tried to shake his hand. It was just like Woodcock's exit would have been had he defeated Baski.

With splendid heroism, Lord Strabolgi went to the defense of the Government, but his opening word "Comrades" did not quite ring true. He tried to reason with the crowd, but after a long sequence of non-stop Socialist speeches, there is no ear for reason. So his Lordship retired like the great San Philip, and went.

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And then came the next climax! Who do you think was put up to defend the Government? You're right, it was Professor Laski! Mr. Noel-Baker told us first how Mr. Morgan Phillips, the General Secretary of the Party, with the assistance of voluntary helpers, had raised £13,000 to pay the costs of the famous libel action which Laski lost.

The chairman referred to him as "Harold" for be it known that the Oxford Group has nothing on the Socialists for palsy-walsies, except when they speak of Mr. Ramsay MacDonald, who did so much to make the Socialist Party great. One sweet lady last week referred to him as "that Judas Iscariot of the Socialist movement."

Laski was in good voice, and said at once that he did not mind being the whipping boy for Churchill and his inspirer, Beaverbrook, together with their paid and unpaid cohorts. This was greeted with an ominous silence. Perhaps the contributors to the £13,000 fund were not anxious again to play the role of whipping boy to the professor.

I thought Laski put the case well for conscription, but this view was not held by some of the comrades sitting near me. The truth is that conscription and pacifism are so deep rooted in the souls of the Socialists that they cannot bring a calm judgment to bear upon them. The Professor, however, is an experienced platformer and he decided to bring the crowd to their feet with one declamation that would excite them and give him an aura of sturdy independence.

"But let me say this," he cried. "If I thought that conscription is to be used to maintain 100,000 British soldiers in Palestine I would not be a member of this executive!"

But did the delegates applaud? They did not. More than a little shaken, Laski rushed to his close. After that we held a card vote and carried conscription by a million votes or so. They do things on the grand scale, these Socialists.

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In the soft sun of the early evening I motored back to London through a countryside of such beauty that one longed for a poet to sing its praises.

If I could print the secret thoughts of the Ministers on the platform, I do not doubt that they would cause something of a sensation. They must wonder what the future holds for a Government that is in chains to so many masters.

But it really was a lovely day, and the tide had come right in by the time we left.

SIGMA MINES (QUEBEC) has declared a dividend of 20 cents a share, payable July 28 to shareholders of record June 27.

Rural Ratepayers Threaten Vancouver Island Tax Strike

From Our Own Correspondent

VICTORIA—A strike against allegedly "excessive and inequitable" taxes levied against rural ratepayers threatens on Vancouver Island unless the province eases the load brought on by implementation of the Cameron report on education.

Many ratepayers' associations have already declared they will pay no taxes until the legal deadline and will seek to extend that deadline until action is taken. Many farmers have returned their tax papers to the provincial assessor here. A meeting at Nanaimo, attended by delegates from every part of the Island, set up a Vancouver Island Ratepayers' Association to carry on the battle.

Finance Minister Herbert Anscomb, in a radio address appealed to the ratepayers affected to be patient until the assessment equalization commission has completed its work.

Major difficulty is to equalize assessments between municipalities and unorganized districts, both of which in some cases come within the confines of one of the new school areas.

Main point in dispute is whether the province is limited in the amount of taxation it can raise on land and improvements to five mills, by Section 112 of the Manual of School Law.

Ratepayers from the North Oyster Association told Education Minister G. M. Weir and Municipal Affairs Minister R. C. MacDonald that many farmers in rural areas north of Ladysmith will be forced into bankruptcy if Ladysmith School Board is allowed to go ahead with its plan to build a new $511,000 junior and senior high school in the city.

NRC Laboratory Seeks New Uses for Cereals

From Our Own Correspondent

SASKATOON—To provide a centre for research on industrial utilization of farm products of Manitoba, Alberta and Saskatchewan, a prairie regional laboratory of the National Research Council is being built here. It will be staffed by 34 scientists and about 30 technical assistants, with equipment and scientific apparatus of the most modern type.

About 213 million acres of arable land (about 5% of the world's cultivated area) are devoted to growing crops for chemurgic industries, excluding wood but including cotton. This total is more than the arable land of Canada, Australia, New Zealand and Argentine together.

The new laboratory will be ready to investigate any problem of special interest to the prairie region but particular emphasis will be placed on cereal grains, oil seeds and residues, the principal products of the West. One main aim will be to find alternative uses for crops.

Four main lines of investigation and research are to be featured: vegetable oils, starch and cellulose, microbiological fermentations, and development of basic tools for rapid, accurate measurement in research. At present, in quarters loaned by the University of Saskatchewan, properties of flax and rape seed oil are under review.

Another problem to be studied is that of converting grain to alcohol. During the depression there was much talk along this line but since stocks of grain have fallen, the West can sell all the grain it produces as food.

Any cereal grain can produce alcohol; all that remains is to assess the desirability of such a project. Price has much to do with the problem. With wheat at 60c. a bushel, alcohol would cost 40c. a gallon to produce. With wheat at $1.20 a bushel, the cost would be about 60c.

Bulk of Esling Estate Aids Crippled Children

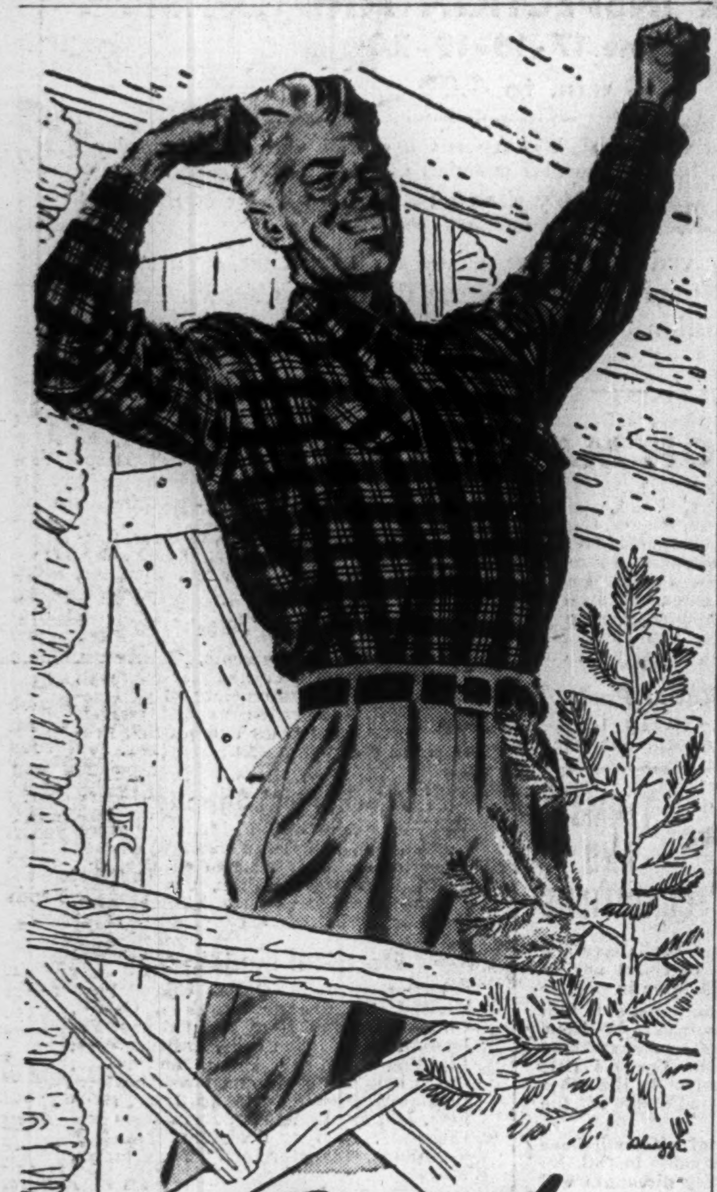
From Our Own Correspondent

VICTORIA—The famous Queen Alexandria Solarium for crippled children at Cobble Hill, near here, is bequeathed $137,597 in the will of William Kemble Esling, M.P. for Kootenay West for 20 years, who died at Rossland last December.

Gross value of his estate was $191,228. Other bequests include $10,000 to the Canadian National Institute for the Blind at Vancouver; $5,000 to the Women's Institute Mary E. Davidson Fund; $1,000 to the Anglican Theological College, Vancouver.

A ward recreation hall or other necessary buildings will be constructed at the Solarium and a bronze plaque will be set up as a memorial to the late Mrs. Mary E. Davidson, of Rossland, a sister of Mr. Esling.

CENTREMAQUE GOLD MINES has received payment of $5,000 covering 33,333 shares at 15 cents a share. Issued capital—2,844,843 shares.



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